

# Driving Out the Money Changers

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*Over a National Network*

1933

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*Foreword*

This book contains the chief lectures delivered from the Shrine of the Little Flower beginning January 1st and ending April 16th, 1933.

It is a complement of a previous book published last year entitled "Eight Discourses on the Gold Standard."

It was my aim to treat as plainly as possible the vital moral-economic financial condition which, more than anything else in a material sense, has caused our present misery.

The principles which are applied throughout these discourses are based on the teachings of Leo XIII and Pius XI. Contrary to a subversive propaganda which is widely spread throughout our country, be it stated that a clergyman has not only the right but also the duty to speak on such subjects.

Throughout these lectures which were broadcast through the voluntary subscriptions of Catholics and Protestants, Jews and Gentiles, there is a purposeful development of thought which centers around the one idea of economic justice and liberty.

Today we are living in the hopes of a new deal. This hope is founded not only upon the promise of such but upon the actual presence of new men without whom the new deal would be impossible.

The people of this nation at present are filled with confidence and with determination.

The confidence is vested in our President, Franklin D. Roosevelt.

The determination is founded so securely that only deeds and not words will suffice to satisfy the nation.

It is my opinion that our confidence has not been misplaced. It is also my observation that unless this economic liberty can be quickly achieved under our present system of

government, there is no other prospect facing us than to alter that system if necessary in order to obtain justice and equity.

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### HONEST LEGISLATION ?

For three years the undeniable facts which I have expressed over this radio have been well known to the Seventy-Second Congress of the United States. Sad to say have been artfully side-stepped by this august body.

Our national debt has risen to \$235-billion. Our losses directly due to the depression have approximated \$265-billion—\$96-billion more than the total cost of the World War.

Suffering and sorrow, idleness and poverty we submit to the outrages of a money famine.

Our leaders have become obsessed with the cult of gold worshipping. Its sanctity must not be violated even though millions upon millions of victims are offered up within its fiery furnace.

## II

For two months this last session of our Seventy-Second Congress has proven itself more interested, I fear, in beer than in bread ; more interested in the liberation of the Philippines than in the restoration of prosperity to the United States. Meanwhile it becomes disheartening to read how our Representatives will spend time discussing everything from the correct spelling of Puerto Rico to the placing of a label, if any, that will be glued upon a can of macaroni !

Yet it becomes absolutely alarming when we read of the most dangerous discussion of all, which found its way to the floor of our Senate, in the nature of the Glass bank bill. It takes its name from Senator Carter Glass of Virginia.

Every person in this nation realizes that from an economic angle, our depression was primarily caused by an injudicious, unintelligent and sometimes immoral financial system which not only produced a famine of money but which destroyed our credit and which almost has succeeded in reducing our nation to bankruptcy.

There must be a substantial corrective for these financial abuses which were responsible for marketing questionable bonds ; for gambling with depositors' money ; and for turning the stock exchange of Wall Street into a resort alongside of which Monte Carlo and the corner crap game are sanctimonious exercises of virtue.

Now, instead of facing this problem with courage and with vision, it has been side-stepped and neglected.

In its place there has been injected into the discussion of the Senate the smoke screen called the Glass bill. It is a bill, which in many of its articles, is commendatory, but which in its nineteenth article is the most subtly vicious bill that the entire Seventy-Second Congress has ever considered.

It is only just that those in this audience be appraised of the importance associated with the nineteenth article of the Glass bill in order to learn of the desperate effort being made by the organized minority to perpetuate their plunder.

Briefly, this bill pretends to abolish the financial abuses from which you have suffered so grievously, by establishing branch banks. Briefly, it looks forward to the destruction of small independent local banks ; it visualizes the establishment of great central banks with branches throughout the State ; it presupposes the existence of the same banking system which we have today, including all its inherent abuses.

But before explaining any portion of this nineteenth article, let me first remind you that one of the current complaints which was voiced by Pius XI relative to the financial system of our civilization is identified with the cruel, unjust concentration and manipulation of credit in the hands of a few.

That this Glass bill in its nineteenth article is endeavoring to perpetuate this abuse is evident.

### III

Before criticizing, let us pause for a moment to discover the history of this brilliant idea which, according to its sponsors, will eliminate our financial worries.

Scripture tells us that an evil tree cannot produce good fruit. Well let us examine the tree.

The announcement of this most important theory is recorded in *The New York Times* under the date of December 8th, 1932. It shall go down in the annals of politics as the climax of achievement ; as the high water mark of do-nothingism which characterized the golden Mellon age through which we have passed.



Let me read it to you as it appeared in the paper.

“ *Ogden Mills Urges a Move for Branch Banking* ” —that is the headline. The article reads as follows :

*“ In dealing with reforms in, the banking situation Mr. Mills suggested immediate authorization for trade area branch banking as a temporary expedient to aid national banks, and recommended that a joint committee of Congress study all available data with a view to legislation ‘that will remedy the fundamental weakness of our banking structure’.”*

Secretary Mills is quoted as follows :

*“ The developments of the last decade”, says he, “ have uncovered unmistakable defects in the American banking structure. They constitute a source of weakness in our economic life and have been an important factor in the present depression. They call for fundamental reforms.”*

Mr. Mills agrees that the banking system has been “an important factor” in this poverty, this idleness, this confiscation that surrounds us.

Mirabile dictu ! What a wonderful expression !

The reform which he suggested in his own words is this :

*“ I renew the recommendation looking to the extension of branch banking.”*

This, then, is the curative for the financial sins which have demoralized our nation. This is the restorative of peace and contentment and prosperity in our land !

Well has Mr. Ogden Mills lived up to his reputation. On the eve of his departure from, perhaps, the most important cabinet post in our Government, he sings his swan song in the same key and in the same pitch which characterized the Melody of Mellon for a period of nearly 14 years ; the chorus of which always ends with the couplet : “ *financial welfare is preferred to human welfare.*”

If you trace it back far enough, perhaps this song will be found to originate in the heart of that great Tin Pan Alley known as Wall Street.

To be exact, it was sometime about the month of March, 1930, when Mr. Thomas W. Lamont, of the firm of J.P. Morgan and Company, expressed the identical idea that he was in favor of branch banking as the method of banking reform. Thus you plainly see, my friends, that the music is by Mills ; the lyric by J.P. Morgan and Company; and the obligato is by Carter Glass.

All this reminds me of a convention held inside the walls of Sing Sing Prison. Everyone admitted that there was need for prison reform. The citizens outside were complaining because of the laxity of the prison and because of the effeminacy of its rules. The prisoners were complaining because of the raspiness of the radio. Their laundry, so they charged, was returned improperly ironed. Their food was not so tasty as that served in the better hotels.

Well, the outcome of it all was that the prisoners themselves were actually devising ways and means to reform the iniquitous system of prison punishment.

I am sure that the authorities of New York State Department would be as ready to adopt the decisions of the prisoners as the people of the United States would be willing to acquiesce to the suggestions made by those who, more than any other group, have caused this depression.

Now, let us see (since we have traced this fruit back to the original tree from which it has fallen) if this brilliant suggestion is in keeping with the spirit of the new day.

Speaking to the New York Legislature in January, 1930, President-elect Roosevelt issued a statement which is counter to the proposal of the nineteenth article of the Glass bill, the bill that proposes to abolish all our abuses by establishing branch banks. He said :

*“ We must by law maintain the principle that banks are a definite benefit to the individual community. That is why a concentration of all banking resources and all banking control in one spot or in a few hands is contrary to a sound public policy.*

*“ We want strong and stable banks, and at the same time each community must be enabled to keep control of its own money within its own borders.”*

That, my friends, was the opinion publicly expressed by the gentleman whom we have elected to give us a “*new deal*”. We have no reason to believe that Mr. Roosevelt has altered this conviction in the face of the fact that branch banking is no curative to the financial ills which have aided and abetted the famine of money now threatening to overwhelm us.

Branch banking is no guarantee for the money of the depositor. I dare say that the 4,850 failures which have marked the history of our financial institutions during the past few months would not have amounted to such great numbers had they not been encouraged both directly and indirectly through the initial failure of one of the great branch banks in the City of New York.

Do not forget that the first important bank failure in this country during the present depression was the Bank of the United States with its 59 branches. It was followed by the Federal National Bank of Boston with its 8 branches. In succession there are chronicled the other branch bank failures, namely, the Banco Kentucky group, with 7 branches ; the A.B. Banks of Arkansas with 27 branches ; the Manley chain of Georgia

with 87 branches ; the Bain Banks of Chicago with 12 branches ; the Bankers' Trust Company of Pennsylvania, with 20 branches ; the United States National Bank of Los Angeles with 8 branches ; the Security Home Trust of Toledo with 10 branches ; the Peoples State Bank of South Carolina with 44 branches ; the Arizona State Bank with 5 branches ; the Foreman National group of Chicago with 6 branches.

Of course there is no necessity of even mentioning the other branch banking institutions, some of which would most certainly have failed had not the Reconstruction Finance Corporation poured millions of dollars into their vaults in preference to helping the small, individual banks such as we had in the municipality where I live. Every bank in the City of Royal Oak exploded with disastrous effects to the depositors.

Branch banking which is confined to a city or to a municipality is in no wise harmful. But when it is extended to the boundary lines of the State, it simply means the concentration of the wealth and of the credit of that State in the hands of a few for them to control ; for them to use.

How in the name of justice, can the little farmer living at the extremity of the State line ask for a loan from some big bank in the State Capital. He is not known and he is not cared for. Certainly the farmers should have learned this lesson after three years of having been neglected.

More than that, it means that through the subterranean channels of the financial system which has been established in this nation it will be rendered more feasible for the several great national and international banks in lower Manhattan to control the credit of the entire country.

The advocates of this system of branch banking will point to Canada and to its financial institutions as a paragon of perfection.

Fortunately for the citizens of Canada their financial institutions are still banks where the depositors' money is practically guaranteed by the Government ; where the depositors' money is limited to investment and not to speculation as happens in ninety-nine cases out of a hundred in this country where some branch banks have too often become bucket-shops and peddlers of worthless securities. And to extend them throughout the United States is the cure of the Glass bill !

Already we have learned of the origin of national banks in this nation. We are not ignorant of the fact that despite the Constitution of our country which maintains the right of Congress "to coin and regulate the value of money," this substantial right was handed over fifteen years after our country was founded to private financiers and private corporations whose printed paper money we are forced to use in order that they may acquire profits, and from whom we are asked to beg credit.

We are not ignorant of the fact that the originators of national banks in this nation themselves subscribed to the theory that their institutions grow fat on bonds and blood debts which arise from war. That is a matter of history.

And now like a simple little Red Riding Hood, do you think that the American public, bled white by this war of golden bullets, will stand before this wolf of the Glass bill and say in all simplicity : “ *What great teeth you have, grandmother!* ”

If it should, the answer will be as of old : “ *The better to eat you with, my child !* ”

#### IV

Perhaps it would be appropriate to mention at this moment another attempt on the part of the banking monopoly of this United States to put through a bill similar to the proposed Glass bill.

I know that I am speaking heretically so far as the dogmatic teachings of bankers are concerned. But it is about time somebody does.

The year is 1907. The chief actors in the drama are Charles Augustus Lindbergh, father of the famous aviator, Senator Aldrich, and Congressman Vreeland, the latter two being identified with mighty New York banks.

It was well known that ever since the Civil War, Congress had allowed the bankers to completely control financial legislation. This is what Congressman Lindbergh, the father of the “*Lone Eagle*,” had maintained. This is what every one knows who is acquainted with the history of our country.

Now in 1907 our nation was in the throes of a money panic.

Hundreds of millions of dollars of watered stock and of depreciated bonds were stored away in the vaults of the great banks of this country.

Day by day the market value of these bonds and stocks was being depreciated. Day by day the owners of national banks were becoming more and more excited because of the possibility and probability of their financial structures tumbling upon them.

At last they conceived a plan whereby they could be saved. Here is the plan :

Cooperating with each other, Senator Aldrich and Congressman Vreeland proposed what was known as the “Emergency Law” to the United States House of Representatives. The nature of this law was to permit national banks to deposit not only Government Bonds

with the Government for their privilege of printing money at the face value of these bonds, but also the privilege of depositing industrial bonds and municipal bonds in our Treasury with the right to print money against their face value.

What a calamity had that Bill been passed ! Some of these industrial and municipal bonds were actually selling on the open market in 1907 for fifteen cents on the dollar and few of them as high as fifty cents on the dollar !

What a proposal to permit the bankers to print paper money not at the market value of their deposited municipal bonds but at their face value !

This bill was rushed through Congress. Our representatives evidently were blinded to the fact that it was giving the national bank corporations of this nation the right to extend not only rubber credit money but to print rubber currency money.

Into the fray rushed Charles Augustus Lindbergh, who, in one sense is a greater hero in the eyes of this nation than is his illustrious son.

To this noble father and patriotic Congressman we owe the thanks of a grateful nation for exposing this terrible, nefarious plan which would have made a despot of Wall Street and a slave land of America.

Twenty-six years later we are witnessing an attempt on the part of this same group to do a similar thing by monopolizing in an indirect manner the banking facilities of the nation along with its credit. And that is something that the majority of you did not even suspect because they do not advertise.

Now as of then the Glass bill is being proposed to us as was the Aldrich-Vreeland bill as the means of rescuing a nation from a famine of money.

Now as of then, the bloated branch banks, wish to rewrite their bank stocks at double their value and enter them as such upon their books. A system of dropsical bookkeeping !

But now as of then, some new Charles Augustus Lindbergh, please God, shall have the courage to rise in the seats both of Congress and of the Senate to prevent this "*lame duck*" assembly from rushing through in the last few hours of its mortal existence its so-called curative for the financial ills of the nation.

A "*lame duck*" Congress and Senate that for the last few years have closed their eyes to the starving, to the unemployed, to the distressed citizens of this nation while telling us that there was no depression and while preaching to us that prosperity was just around the corner ! At its best, the Glass bill is a half measure. Like a half truth, which is worse than a whole lie, it bodes no good !

If the House of Morgan advocated such a measure in the year 1930 ; if Ogden Mills proposes it in the year 1932, the people of the United States know from what tree this fruit has come. They prefer to await the policies of their newly elected President and Congress who soon shall assume office ; who promised to bestow upon every one of us a fair and equitable deal.

Thus, while people are starving to death ; while industry is prostrate ; while foreign trade has vanished ; while the values of real estate have been decimated ; while to every school boy in this nation it is a matter of common knowledge that we are suffering from a money famine mostly due to the manipulation of the mighty banks which are greatly responsible for flooding the country with worthless credit money and with spurious bonds, we witness a group of Senators today—pretending that they represent the people—a group of them devising ways and means to help, to protect and to extend the power of this financial octopus whose tentacles are grasping at the throat of our nation.

No wonder that the Independent Bankers Association has gone on record in a letter to Senator Thomas Schall with the following statement. It says :

*“ If section 19 of the Glass bill passes, it is going to place in the hands of the very few the entire credit machinery of the Nation. Section 19 is so utterly opposed to the spirit of the times that it is bound to bring ruination to its sponsors. The large banking interests of the country should realize that legislation is becoming more and more socialistic ; that if banking is concentrated into the hands of the few, the rank and file will eventually rise up against them ; that it will give the common people something to shoot at ; and that eventually the structure, which they are trying to raise to get domination of the credits of the country, will collapse, carrying the sponsors to ruination.”*

If mass-productionism is a menace to our country the way it is being handled today, mass-financialism should hold greater terrors.

Certainly the American people are looking forward to a financial reform, but not the kind of reform that is couched in words of half truth. The American people are not overly anxious that this reform come from the selfish suggestions which emanate from lower Manhattan and which are fostered by certain legislators who are devotees of the principle that this nation shall remain a financial Republic.

Concentration of wealth in the hands of a few can no longer be tolerated.

Concentration of credit by a small group must no longer exist ! These are reforms which we demand along with a sane inflation of money.

Thus, if there are mismanaged small banks existing throughout the State or throughout the nation, that is no argument why their charters eventually should be assimilated by mismanaged giant banks of the great cities through the agency of the Glass bill which refuses to rescue us from the real financial abuses.

It is about time, my friends, that we have some honest legislation. It is about time that this wizardry of Wall Street and this double acting, half truth bill and measure similar to the Glass bill be eradicated from the seats of the Senate and from the Halls of Congress. Lincoln did not say in vain that *“this nation is of the people, by the people and for the people.”*

Lincoln’s words will be put into practice despite what it is going to cost us.

The theories that have been expressed are rather peculiar.

For instance, the Glass bill subscribes to the principle that prosperity is associated with the thought that our national finances should be in the hands of a few. Do you not see that it is identical with the principle stated by some, especially the adherents of George III in 1775, that our national politics should be controlled by a few ? Both theories are counter to the democratic principles upon which our nation was founded. Both theories are identified with an oligarchical form of government and with the error which we are striving to eliminate, namely, the concentration of wealth and of power in the hands of a few.

Today it is imperative that we de-centralize this wealth and this power of else the Socialists will do it for us. Today we are struggling to destroy the famine of money by a policy of sound inflation. Today we are aiming at restoring honest wages, honest prices and honest dollars through legitimate and constitutional means. We are surfeited with bank failures, with cut wages, with increased taxation and with a financial system which regards money as the medium of control and not of exchange.

V

May I quote for you the sapient remarks of the revered ex-Senator Robert Owen, than whom no greater philosopher on finance exists in our nation.

He is an ardent advocate of sound inflation as the immediate salvation of our country.

He says :

*“ It is futile to say that there is plenty of money and credit in our country when the money is congealed and the credit is frozen.*

*“ Those of you who desire to extend more currency money to the nation will be accused of advocating phony dollars. You will be met with the cry of inflation. But inflation means an unjustified expansion. You are not inflating—you are expanding because of a great national exigency.*

*“ You will be met with the charge of fiat money. But fiat money is money not redeemable in gold. And the money you propose is redeemable in gold.*

*“ You will be met with the charge that there is plenty of money. This is obviously untrue because the currency money of our nation has gone into hiding.*

*“ We all believe in an honest, sound dollar. But the present dollar is not an honest dollar. It is a dollar buying fifty cents more in commodities and 500% more in stocks and other forms of property than normal. It is a thief stealing the profit of the debtor under the color and protection of law ; it is stealing the savings of lifetimes from innocent people who are the victims of a financial mismanagement or worse.”*

It is not pleasant to criticize those into whose hands the destiny of this nation has been placed.

But because we have had too much concentration of credit ; because we have been victimized by a financial system which has brought about a famine of dollars ; because we have grown weary of successful attempts to dodge the real issue of the day, it is about time that we demand our representatives to represent us and cease following the philosophy of the high priests of a broken down system of finance.

Not only the 12-million idle workmen ; not only the 30-million partially employed laborers ; not only the 40-million farmers and their families ; not only the small banker and the industrialist whose factory is closed—every citizen is demanding legislation which will restore honest dollars to the entire nation. We are weary of attempted legislation which aims at strengthening the position of those who control hoarded dollars and hoarded credit.

We are demanding legislation that will have some milk of human kindness in it ; that will have some drop of God’s justice in it to care for a people of a land that is teeming with wealth, filled with wheat and corn, crowded with factories, all of which, as far as we are concerned, may as well be in the depths of the Atlantic Ocean as long as we are forced to worship at the altar of this god of gold.

Surely we are asking for nothing that is un-Christian or unconstitutional when we petition for work, when we raise our voices for an opportunity to pay our just debts or when we ask a guarantee for the savings of a lifetime which perforce we must deposit in some bank.

That there is a way to assist those Congressmen and Senators, who are fighting desperately to remove the cause of our sorrow, our poverty, our idleness, is certain.

Thus, I am trying to enlist your moral support ; I am trying to marshal, into a solid army of action every voting citizen in this audience.



By your support I mean the assistance not only of every man but especially that of every woman in this audience.

Are you satisfied to suffer, to grumble, to raise your voice in childish complaint ?

You country bankers know not where to turn. You industrialists are living on the bread of hope and on the milk of optimism not knowing how you can honestly pay your dividends or your taxes because the purchasing power of our nation has been ruined.

You farmers have become slaves of the soil forced to produce your wheat and your cotton, to raise your hogs, your sheep and your cattle at a loss ; forced to face the sheriff who, perhaps, tomorrow morning will be on his way to put you out of your homestead.

You laborers in the city, I suppose, are satisfied to work incessantly at starvation wages ; to raise your children in want and poverty ; or to join the army of the unemployed.

You home owners and you landlords are happy, I presume, to see the value of our real estate melt under your eyes and the cost of your taxes mount month by month.

You women of this land, are you not anxious to help in this unequalled contest ; are all of you willing to stand idly by ? I believe the time has come to act in unison and in a constitutional manner.

Driving Out the Money Changers

Charles E. Coughlin

### BONDS OR CHARITY ?

It appears that religion has lost much of its charm and forcefulness in the scheme of our modern civilization.

This is so true that more than sixty per cent of our fellow citizens profess no allegiance whatsoever to any organized church. They regard dogmas as unscientific presumptions. They look upon morals as unreasonable impositions.

While the Bible is regarded as a book to be revered, it is oftentimes considered archaic to maintain that its contents are revealed truths.

This is most unfortunate especially when we are confronted with the momentous problems of the present day.

Unguided by faith or by biblical principles, what solution has science offered to liquidate the imponderable debts accumulated by the Great War or to stem the ever increasing tide of losses which threaten to engulf us ?

With all the gifted intelligence resident in the minds of the economists which one of them, divorced from religion, has approached the problem of unemployment with such clarity of thought as is manifest in the legislation of the Mosaic Law or in the verses of St. Paul's inspired letter to the Corinthians, chapter the thirteenth ?

Not one of them ! These problems which are deep-rooted in man's social relations, one to another, have baffled a Pericles and an Aristotle of old, and will continue to defy lesser minds today unless the dim, fluttering candle of reason gives way to the lustrous shining of the Light of the World !

God's standard has been bartered for an impossible gold standard. Debts and financial rights have been deemed more precious than love and human rights.

First, let us consider the stupendous debts which are devastating our farms, confiscating our homes, divorcing our life's savings, destroying our industries and throwing into inevitable bankruptcy our once prosperous country.

As you are already apprised of the fact, our national and private debts have reached approximately \$235-billion.

Definitely related to these debts is a conservative loss of \$264-billion sustained by our citizens during the past three years.

This total of nearly \$500-billion is so staggering that our capacity to pay has long since become an impossibility.

Now, with what solution do the sacred Scriptures supply us when we are confronted by such a perplexing situation ?

Read with me the twenty-fifth chapter of the *Book of Leviticus*. There you find inscribed the following words :

*“ Thou shalt sanctify the fiftieth year, and shalt proclaim remission to all the inhabitants of thy land ; for it is the year of jubilee. Every man shall return to his possession, and everyone shall go back to his former family.*

*“ In the year of jubilee all shall return to their possessions.*

*“ When thou shalt sell anything to thy neighbor or shalt buy of him thou shalt buy of him according to the number of years from the jubilee.*

*“ Do not afflict your countrymen.”*

Here, then, both a principle and a practice are expressed.

The principle is plainly this, namely, that debts have a limitation and an ending. They must not afflict your fellow countrymen, nor, in any event, may they endure in perpetuity.

It is a principle which plainly infers that financial rights have a termination and that human rights are eternal.

Is is a principle which was not abrogated under the Christian dispensation ; for Christ came to perfect and not to destroy.

It is a divinely inspired principle which seemingly has not filtered through the minds of those into whose hands the destiny of our nation has been placed.

“ *Do not afflict your countrymen !* ” What care they for this economic inspiration that was born in heaven ?

If it conflicts with the philosophy of creditors, let it perish ! Let poverty reign, let stark starvation run rampant through our countryside ; let evictions multiply ! In a word, crush out human rights ! Pillory them in every public place to teach a broken hearted people that financial rights are supreme !

How inconsistent we so-called Christians are ! Invokers of the Name of God in our political speeches ! Builders of churches with our ill-gotten gains ! Mumlbers of prayers in public places ! And hypocrites when actions would be more eloquent than words !

## II

Take up and read not only those of you who still cling to the outstretched hand of religion but also those of you who, oppressed by debt, have forsaken her guidance to wander aimlessly down life’s treacherous pathway—take up and read this twenty-fifth chapter of *Leviticus* in its entirety.

And what else shall you find ?

At least one more principle that is applicable in our present day when the budget is unbalanced, when taxes are being multiplied, when unemployment has reached a national crisis, and when the concentration of wealth in the hands of a few rides ruthlessly on under the whip and spurs of bonds and interest.

Let me read for you the passage at hand :

“ *If thy brother be impoverished and thou receive him as a stranger and sojourner, and he live with thee, take not usury from him nor more than thou gavest.*

“ *Thou shalt not give, him thy money upon usury, nor exact of him any increase of fruits.*

“ *If thy brother constrained by poverty, sell himself to thee, thou shalt not oppress him with the service of bond servants.*”

Usury ! Interest ! Bonds ! Taxation !

Were we religious minded, it would not be difficult to apply this principle today.

### III

On the contrary, we have adopted a policy which is out of tune with the basic harmony of the scripture which I have quoted.

It is a long, sordid story, my friends, in the telling of which I shall try to be brief.

Many of our social and economic sorrows are traceable to the lust for power, and to the greed for gold which dictated the policies which culminated in the Great War.

No one seriously denies that this wholesale carnage was an inevitable sequence to the commercial and financial greed which characterized the Age of Reason.

This is a serious statement to make. It is one which should not go unchallenged unless substantiated by facts.

For a moment, let us disregard the European nations and focus our attention upon America.

If you recollect, we entered the Great War on Good Friday in the year 1917.

On the eve of that eventful day our Senate was assembled.

Long into the hours of Holy Thursday night serious minded men debated both on grounds of patriotism and of righteousness whether or not we should take up arms against the Central Powers.

The night when nearly 1900 years before the Master supped with His Apostles and said to them : “ *This is the chalice of the new and eternal Testament which shall be shed for you and for many unto the remission of sins !* ”

The night when Judas betrayed Him for thirty pieces of silver ! The night of Gethsemane with its horrors, with its infuriated mob.

The night when was spoken the words “ *Put up thy sword into its scabbard. Know ye not that they who use the sword shall perish by it ?* ”

The short-lived night when Annas and Caiphas gloried in their passing triumph !

The clock in the Senate Chamber moved towards midnight. Frenzied words passed to and fro !

Voices were filled with emotion !

Was there ever such nervous tension before in the history of that august body ? Never !  
Never !

The hands of the clock ticked off the seconds, the minutes !

It was ten minutes to twelve—and yet no decision had been made.

From his seat rose a white plumed, fearless, honest man. It was Senator James Reed of Missouri.

*“ If you must declare war,” said he “ for God’s sake, do it now before it becomes Good Friday.”*

And then the bells of midnight began to toll the yearly requiem for the Prince of Peace.

The Senate had waited too, too long !

Waited for the anniversary of His death day to declare the most iniquitous war that was ever waged !

It was the Good Friday of that memorable year of 1917.

It was the doomsday of thousands of America’s youths who, like the innocent Victim of old, were herded to their Calvary of sacrifice to be crucified between the two thieves of gold and greed.

On that eventful day the President of the Bank Board of the United States was Mr. E.P.C. Harding.

If the Senators knew not why they declared war, at least Mr. Harding was not ignorant.

On March the 22nd previous to the Declaration, mind you, he knew that eventually we would commit ourselves against the Central Powers. He knew it and knew why as is evident from these historic words—words that shall go down to blot with shame the pages of American history. Mr. Harding said :

*“ As a banker and creditor, the United States would have a place at the Peace Conference table, and be in a much better position to resist any proposed repudiation of debts, for it might as well be remembered that we will be forced to take up the cudgels for any of our citizens owning bonds that might be repudiated.”*

What a confession, my friends ! What a paradox to Christian teaching ! What a burlesquerie on human rights ! To think of it : We must take up the cudgels ; we must rush headlong into a sea of blood ; we must sacrifice our boys ; we must crush the hearts of their mothers ; we must multiply barbarously the orphans in our fair land ; we must crucify again the Prince of Peace ; we must consign to hell the doctrines of charity—all

for the sake of bloody bonds owned by private citizens and bought at their personal risk. Bonds which today sleep in vaults where wealth lies buried, but which tomorrow shall rise like ghosts from graves in hell to haunt and to torment both us and our children !

Some future historian, my friends, will have both the courage and the honesty to analyze that statement of the president of the Bank Board of the United States and to tell fearlessly to the generations to come that our entrance into the Great War was motivated not to make the world safe for democracy, but to make the bonds and the debts collectable by our private lenders.

Christ was betrayed again for thirty dirty pieces of silver. And once again they who thus used the sword shall perish by it !

#### IV

What had happened to evoke such a heinous, sinful statement from the official mind of the president of the Bank Board of the United States ? Briefly, this is the outline of the facts :

We are discussing the year 1917.

For three years previous to this date American corporations had been waxing fat on the war materials which they were shipping chiefly to England and to France.

Already billions of dollars worth of wheat, of cotton, of arms and munitions had been poured into the lap of the Allies. Hardly a penny in actual money had been extended to them.

Now in 1917, it seemed certain that Germany would be victorious. If so, it seemed equally certain that England and France and the Allies would repudiate their debts.

Thus, it appeared that the private contracts entered into directly by American munition manufacturers with the Allied governments of Europe would be disavowed.

So we went to war to save our thirty pieces of silver ; to guarantee that the Allies whom our wealthy citizens had staked for three years would win and therefore pay.

Now the United States as a nation, after 1917, was officially participating in the conflict.

Now the complexion of the loans to the Allies was undergoing a change. Their payment was being made secure by the bodies and souls of innocent men.

More than ever in 1917 arms, munitions, coal and foodstuff were required by the Allies as well as by our army and navy. But from this year on our Federal Government, which means the American taxpayer, undertook to carry the burden.

Roughly estimated \$14-billion of war material was loaned to the Allies by the broad shouldered American taxpayer until eventually came the Armistice, and with it a second chapter of bond history was written.

For behold ! The \$14-billion worth of material—of wheat and of cotton, of meat and coal and munitions which we shipped abroad to England, to France, to Italy, to the Allies—was summarily cancelled. Their war debts were officially wiped out !

Meanwhile the American producers of these war materials had been paid in American dollars.

Meanwhile Government interest bearing bonds had been sold to our banks and to our citizens to raise these dollars. Those who were crucified to the cross of poverty must offer up sacrifice to those, their fellow citizens, who sat upon the thrones of the Herods of wealth.

Do you understand ? The taxpayers of the United States assimilated the debts cancelled so generously to the European nations. We assimilated the debts, and the taxpayers, through the medium of bonds, began to pay back the manufacturers of munitions and bullets used to kill and to destroy. Oh, indeed, if the debts had been cancelled in favor of the foreigners, the bonds representing them and piled upon the backs of the American public had not been canceled ! They still remained. Our citizens were still pledged to redeem these bonds which our Government had issued to pay the great corporations of America for their profitable contribution in having made a shambles of the civilized world.

We who thought that the flower of our youth had been sacrificed to make the world safe for democracy now agreed with president Wilson when he disillusioned us with the statement : “ *This was a commercial war.*”

Thus, once more I stress the point that as a result of the Great War the citizens of this, nation are, in one sense, debtors to the war profiteers of this country.

Their profits ran into billions of dollars. And as a result of it all, there sprang up in our midst in a period little over one year and a half 16,500 more millionaires than we had before we entered the conflict.

Let me give you a few examples from the official records in our Federal archives.

First comes the Bethlehem Steel Company. The profits of this corporation for the years 1911, 1912 and 1913 averaged \$3,075,108 per year. But in 1915 the profits jumped to



\$17,762,813. In 1916 they totalled \$43,503,968. And in 1918 they pyramided to \$57,188,769.

Second : Twenty-nine leading copper producing companies from 1915 to 1918 had a surplus of \$330,798,593 compared with the surplus of \$96,711,392 on the same day of 1914.

Third : The United States Steel Corporation with a capital stock of approximately \$750,000,000 made a profit in 1916 and 1917 alone of \$888,931,511.

Fourth : In the senate document 259 of the Sixty-fifth Congress there is made manifest the profits gained by American business during the year 1917. This document contains 388 pages of almost unbelievable facts.

In the meat-packing business alone half of the concerns admit profit of more than 50 per cent, and a sixth of them admit they made a profit of over 100 per cent.

Of the 340 coal producers in the Appalachian field, 79 of them reported profits between 50 and 100 per cent ; 135 of them testified that they profitted to the extent of 100 to 500 per cent ; 21 reported profits of from 500 to 1000 per cent ; and 14 testified that they made profits of more than 1000 per cent.

Of course, my fellow citizens, immediately following the Great War \$14 billion which Europe owed us at that moment in 1918 were summarily canceled. But that does not signify that the United States Government Bonds which floated these debts and which eventually are payable by your tax money and by mine—it does not signify that these were cancelled. For generations to come the American people will be paying out taxes to the dollar-a-year profiteer who already had grown fat upon the misery of a stricken people.

Perhaps the truthful historian to whom I referred a few moments ago will regard the Great War as the death knell to a system of irrational capitalism which greedily profiteered upon misery and to a system of financial control which waxed fat upon the bonded debts of a patient people.

And so today, my friends, the American people are demanding the normalization of the American dollar—a dollar that was abnormalized and rendered dishonest by the issuance of War Bonds, by the inflation of domestic credit at home, by the break-down of foreign commerce and trade and by the subsequent flight of currency money from the channels of circulation.

Today as in the year 1862, we are being terrorized and tyrannized by the philosophy which then was spoken by the House of Rothschild to the American bankers.

In a letter, known as the “*Hazard Circular*”, received by every bank in the State of New York and in New England on that date, we find the following statement :

*“ The great debt that capitalists will see to it is made out of the war must be used as a means to control the volume of money. To accomplish this, the bonds must be used as a banking basis.”*

Thus, everyone is aware that money is controlled both by the debts and the profits arising from the war and by the multiplicity of bonds, bloody bonds, which bind us to the past and prevent us striving for the better things of the future.

No wonder that today following the Great War it is just as true as in the days following the Civil War that bankers are adverse to the issuance of currency money to replace the existence of interest bearing bond money that is sucking the life blood from our nation.

In 1872 a mighty group of New York bankers sent the following circular to every bank in the United States. It reads as follows :

*“ Dear Sir : It is advisable to do all in your power to sustain such prominent daily and weekly newspapers, especially the agricultural and religious press, as will oppose the issuance of greenback paper money, and that you also withhold patronage or favors from all applicants who are not willing to oppose the Government issue of money ..... To repeal the law creating National Bank notes, or to restore to circulation the Government issue of money, will be to provide the people with money, and will therefore seriously affect your individual profit as bankers and leaders.”*

V

Thus, the question of issuing non-interest bearing Government money to replace the interest bearing bond money has become a national issue.

The principle of Scripture supports Government non-interest bearing money. The principle of bankers stands firmly behind the bond money.

*“ If thy brother be impoverished”, says the Scripture—and God knows as a nation we are not only impoverished, but we are on the verge of bankruptcy—“ if thy brother be impoverished and weak of hand, take not usury from him nor more than thou gavest.”*

By which principle do the people of this nation wish to stand ?

By the principle revealed by Almighty God to His chosen people or by the policy advocated in the financial documents which I quoted ?

Billions of dollars of War Bonds bearing interest and multiplying wealth at the expense of our misery !

Or the equivalent of these bonds handed to their present possessors in new currency at which they will scoff and say :

*“Fiat money”* as if it were not backed by gold ; as if it were not cleaner and holier than the blood money of War Bonds to which they cling !

It would be billions of sterile currency dollars which the present bondholders would perforce invest in industry or in other tax bearing bonds.

It would help substantially to end the famine of money from which we are suffering.

Religion ! Faith ! Revelation ! These things, so taught the proud rationalist of the previous century, were relics of the uncultured past. Let us replace them with the clay god of reason. Let us substitute for God's word the word of erring man.

If in ancient days it was taught that thou shalt not oppress thy brother, we of this new age shall shout from the house-tops and preach in the press that this absurdity must terminate once and for all.

If bonds and interest were forbidden even in the dim past of Mosaic days we of this age of reason shall teach a new doctrine that there can be no progress, no concentration of wealth in the hands of a few unless these instruments of tyranny are revived.

If there needs be such an illusion as religion, says the rationalist, bind it and cabin it up within the narrow precincts of a Sabbath Day ; for it has no place in the bank, no place in the stock exchange, no place in the secular life of a world's prosperity.

Oh, my fellowmen, what price have we paid for this philosophy, for our cleverness, for our rationalism ; what sacrificial victim have we offered up at the feet of this dirty god of clay !

With tears in our eyes ; with hearts filled with repentance we have sadly staggered under the weight of this cross ; we became its victims until we were crucified between the thieves of greed and gold. But today I trust that we are glimpsing the first rays of a new sunrise, of a revived faith, of a happy Easter morn of resurrection from the dead past.

Once more we shall take up and read the Scriptures. Once more we shall turn to that beautiful letter which Paul inscribed to the Corinthians and read therein God's philosophy of man's relation to his fellowman as we put aside once and for all the rugged individualism, the pagan selfishness and the cursed exploitation which have temporarily replaced it in the days just passed.

*“ If I speak with the tongues of men and of angels, and have not charity, I am become as sounding brass, or a tinkling cymbal.*

*“ And if I should have prophecy and should know all mysteries and all knowledge, and if I should have all faith, so that I could remove mountains, and have not charity, I am nothing.*

*“ And if I should distribute all my goods to feed the poor, and if I should deliver my body to be burned, and have not charity, it profiteth me nothing.*

*“ Charity is patient, is kind : charity envieth not, dealeth not perversely is not puffed up, is not ambitious, seeketh not her own, is not provoked to anger, thinketh no evil ; rejoiceth with the truth ; beareth all things, believeth all things, hopeth all things, endureth all things.*

*“ Charity never falleth away : whether prophecies shall be made void or tongues shall cease or knowledge shall be destroyed.*

*“ For we know in part : and we prophesy in part.*

*“ But when that which is perfect is come, that which is in part shall be done away.*

*“ When I was a child, I spoke as a child, I understood as a child, I thought as a child. But, when I became a man, I put away the things of a child.*

*“ We see now through a glass in a dark manner; but then face to face. Now I know in part : but then I shall know even as I am known.*

*“ And now there remain faith, hope and charity, these three : but the greatest of these is charity.” (I. Cor. XIII. 1-14).*

And that, my friends, is the beautiful philosophy which God reveals to us—the doctrine of charity which is counter to the doctrine of rugged individualism. Charity, which looks into the soul of your fellow man and sees there not only the facial expressions of another human being but the borrowed splendor of the God Who created him !

Charity bids us love our fellowmen not for what they are in themselves but because God dwelleth in the temple of their hearts.

Charity, greater than all things, greater than all power, all wealth teaches us to love the Lord our God with our whole heart, with our whole soul, with our whole mind and our neighbor as ourselves. Charity teaches us that whatsoever we do unto the least of God's little ones we do unto Him !

Without charity you cannot even pretend to Christianity.

Thus, shall we go down the highway of time perpetuating the hypocrisy of the past ? Shall we endeavor to work hardship and exploitation upon our fellowman knowing that whatever we do unto him we are doing unto Christ.

Oh, rob, steal, profiteer and exploit, bend low and break your fellow citizens ! Every time you lift a lash of oppression ; every time you raise a scourge of exploitation you are lashing Christ again at the pillar in Pilate's hall, you are driving home once more the thorns of worry into His brow ; you are crucifying Him upon the cross of Calvary !

Whatsoever you do to the least of His little ones you do unto Him !

Driving Out the Money Changers

Charles E. Coughlin

## THE MARCH OF THE WORKERS

Two weeks ago this afternoon I had occasion to address this audience on the nineteenth article of the proposed Glass bill.

This bill intended to legalize branch banking throughout the entirety of the United States. It aimed eventually to assimilate all the small independent banks throughout any given State into one or two mighty central banks resident in the State's financial capital. It proposed to make possible the centralization of all banking eventually within the confines of lower Manhattan, New York City.

In a word, this short-sighted bill aimed at cornering all the credit of the nation in the hands of a few. More will be heard about that in the present Senate investigation.

I pointed out how the head of the Catholic Church lamented this concentration of wealth and of credit in the hands of a few and regarded it as one of the major economic evils of our day. I reminded this audience that the Glass proposal originated in the minds of those who for generations have grown fat upon the exploitation of the American public and was being advocated by a certain banking house whose ancestor multiplied his millions in the days of the Civil War by selling guns to the Federal Government ; guns that did not shoot and could not shoot, thereby prolonging the sufferings of that lurid conflict ; thereby proving his patriotism to posterity in being partly responsible for the needless sacrifice of thousands of men.

If I may digress at the outset of this afternoon's lecture, let me express a few words relative to war. They come to my mind as associated with this mention of the Civil War. Already you are apprised of the fact that there are existent in this nation almost \$12-billion of Government Bonds whose origin is traceable to the commercial war which was fought between the years 1914 and 1918. They are bonds upon which you citizens of this nation are paying approximately 3½ per cent interest both to the banks and to the individuals who hold them against you. Your yearly tribute is almost \$400-million in taxes to those who have invested in the debts which we have piled up to make the world safe not for democracy but for chaos, not for prosperity but for depression, not for liberty but for species of economic slavery where money, the medium of exchange, has been transformed into a scourge of control.

Meanwhile, the civilized nations of the world are at present spending approximately \$4-billion each year in preparation for the next war—for the next commercial war that appears to be inevitable because we do not know how to trade in justice and in equity with each other ; because the nations persist in upholding a policy of exploitation, of narrow nationalism both abroad and at home.

You are a patient people. But there are times when patience, ceasing to remain a virtue, degenerates into a vice.

You are a childish people who grow enthusiastic over empty victories. You become emotional with tears over needless slaughter. You will permit again, I presume your husbands and your sons to be conscripted body and soul but you lack sufficient courage and leadership and intelligence to demand legislation that if ever another such war shall break upon the tranquillity of our nation not only men shall be conscripted but money and gold must likewise be conscripted to defend our shores. Wake up !

Does it not seem most incongruous that both ex-service men and widows and sons of the slain victims be burdened with war debts when already they have sacrificed the best years of their existence and their most precious possessions before the altars of international, commercial greed ? Does it not appear equitable that if precious lives shall be conscripted, we shall not fail to conscript precious dollars ? Let us cease inflicting with starvation and confiscation a docile people who have borne the burdens of war and now are prostrate upon life's Calvary Hill—prostrate and exhausted from carrying the Cross of Depression !

That is why the prophet Nehemias said when he beheld the misery of a stricken people—a misery that had been increased by burdensome debts :

*“ And I was exceedingly angry when I heard their cry according to these words. And my heart thought with myself; and I rebuked the nobles and magistrates, and said to them : ‘ Do you every one exact usury of your brethren ? ’ And I gathered together a great assembly against them. . . And I said to them : ‘ The thing you do is not good. . . Both I and my brethren, and my servants, have lent money and corn to many. Let us all agree not to call for it again : let us forgive the debt that is owing to us. Restore ye to them this day their fields, and their vineyards, and their oliveyards, and their houses. And the hundredth part of the money, and of the corn, the wine, and the oil, which you were wont to exact of them, give it rather for them.’ ”*

So spoke the prophet of old according to the Scriptures of God, when the Jewish nation emerged from a war.

And so do we contrary in modern times according to the philosophy and devisals of godless man.

My friends, the time has come when like Nehemias we shall gather together a great assembly against the nobles of wealth and the magistrates who serve them !

## II

But let us return to the Glass bill which supports the theory of the concentration of credit in the hands of a few. After twenty-one precious days of what most news journals called filibustering, this bill passed the Senate in a modified form. It has not yet even got into the halls of the Lower House. Its viciousness was well advertised throughout the nation. Only nine States in the Union which hitherto permitted branch banking will be permitted to continue this practice. So passed the bill in the Senate.

Twenty-one days spent in hatching an empty egg !

Twenty-one days “destroying” the fundamental causes of our national misery !

Twenty-one days in refusing to admit that we are suffering from a famine of money !

Twenty-one priceless days which were crowned by the same Senator Glass who, defeated in the nineteenth article of his bill, introduced a motion on the floor of the Senate to table all inflationary proposals, everyone of which was designed to rid this country of the famine of money. He even refuses to discuss this thing further !

Oftentimes, my friends, I have drawn to your attention the universally known fact that if there is hunger in our midst it is not due to a lack of foodstuffs ; if there are idle factories it is not due to an absence of desire on our part to use their products ; if there were more than one million farms confiscated during the past few months, this may not be attributed either to laziness or to inactivity. The American agricultural class is too industrious to suffer this charge.

It is all due to a stupid, vicious and radical philosophy on the part of certain nobles of wealth that money must be used as a medium of control.

Any proposal to destroy this famine of money is called radical and unsound. Any attempt to restore the purchasing power of the dollar to what it was when these damnable war bonds were launched upon a defenseless people is considered inflationary. By force of logic it is therefore unsound for men to work, it is unsound for a farmer to earn enough from his produce to save his home. It is unsound to clothe the naked, to feed the hungry, to keep open our schools. It is unsound to earn enough money whereby the products of our factories can be purchased. It is doubly unsound and heretical to cease worshipping at the altar of the man-made god of gold.



By the way, did your local newspaper comment upon the fact that any attempt not at inflation, which is a hypocritical word as used in this instance, but at normalization of the American dollar—did your newspapers carry an account that the United States Senate by a vote of 56 to 18 has refused to consider any proposal to increase our currency ?

If not, this is what was carried in the columns of “ *The Detroit News*” on Thursday, January 26th. Mr. Jay Hayden, its representative in Washington, writes as follows :

*“ The Democratic and Republican leaders on Capitol Hill, all opposed to any sort of direct tampering with the currency, now are agreed that there will be no further serious threat of legislation to debase the gold standard, at least until the beginning of the first regular session of the new Congress in January, 1934.”*

Well, my friends, there is optimism for you—an optimism that tells you to tighten up your belt ; an optimism that bids you smile and smile and be a devil as you look forward to the prospect of another year of idleness, of another year of profitless crops ; of another year of confiscation ; another year of closed factories ; another year of loss to our industrialists !

Three years ago, in the face of incontestable facts, you were a radical if you even whispered aloud the word “*depression*.” Today you are worse than a red Bolshevik if you even permit yourself to think that there is such a thing as a famine of money which can be corrected.

### III

Is there a famine of money in this country or are we all deceived by a heinous misunderstanding ?

Before answering this question, let me once more remind you that money is divided into three parts. First, there is your basic coin which you do not use directly : this is called gold. Secondly, there is your pocket money represented by silver coins and by paper bills : this is called currency. And, lastly, there is your check money, or your bonds, or your mortgages called credit or debt money.

Now all political economists agree that for every unit of basic money or gold which we possess, we may have in circulation  $2\frac{1}{2}$  units of currency money and not more than 12 units of debt money.

This formula of 1 to  $2\frac{1}{2}$  to 12 is the formula of sound money just the same as  $H^2O$  in chemistry is the formula for pure water.

Now in our nation we have approximately \$4½-billion of gold. Work out your formula. This permits us to have approximately \$11-billion of currency and \$54-billion of credit or debt money.

Well what are the facts existing at the present moment in this country ? Instead of having approximately \$11-billion of currency, we have in circulation nominally \$5-billion of currency. But if you subtract the money that has gone into hiding, the money that has been destroyed, we have no more than \$3-billion in real currency.

On the other hand we have the stupendous sum of approximately \$235-billion of debt money instead of \$54-billion actually supported by our \$4½-billion of gold.

The sound and scientific formula has been thrown aside by the modern manipulators of finance. Against all precedent and experience they attempt to tell us that sound money exists in the ratio of 1 to 1⅓ to 117—just as sensible to say that the formula for water is C<sup>6</sup>H<sup>5</sup>OH, which, by the way, is the chemist's terminology for carbolic acid. Try to drink that for water and see what happens. And try to use our present formula of money and watch the “march of the workers.”

Now there is actually more than \$7-billion of a famine of currency money in this nation. There is approximately an overweight of \$180-billion of credit or debt money in circulation. More than we can conservatively carry.

The Senators in Washington know this far better than do you in this audience recognize it. And yet they have the effrontery to tell you through the columns of the press that those who desire inflation, as they term it incorrectly, are seeking to establish an unsound currency, as if it could be more unsound than that which exists today.

The truth of it is the system which they are endeavoring to uphold is so unsound that to it more than to anything else you can attribute the starvation and the idleness and the discontent which are so universal in this nation.

My friends, that is why for several Sundays I have been proposing the recall of the billions of dollars of war bonds. That is why I have been advocating the issuance of currency money in place of these bonds. This would not create on inflation but would only normalize the abnormal currency from which we are suffering. Call that radical if you will. But if you do, likewise call the Word of God radical after what you have heard as written by the Prophet Nehemias.

And still, by a vote of 56 to 18, the omniscient Senate of the United States refuses, under the leadership of Carter Glass, to entertain any consideration aimed at removing this menace !

Of course, he and his supporters are ably seconded by many financial institutions in our midst. For this, they have their personal reasons—devastating and disconcerting reasons which you have not thought of : First, by accepting currency in payment of the bonds,

the bankers and the bondholders would be compelled to invest in American property and industry. And secondly, these financiers who are opposing such a measure are playing hand in glove with the foreign debtor nations, hoping *first* to have our government make a readjustment or partial cancelation of these foreign debts ; and *then* in 1934 or late in 1933 to permit a revaluation or normalization of debt cut. This, so they think, is the only way possible to collect the private debts owed by foreign governments and individuals to these bankers. But in the meantime, let American people suffer while the bankers play financial politics at the price of our misery !

Do you realize, my friends, that in the banks of this nation the American people have on deposit approximately \$45-billion ? Do you realize that these banks altogether have not more than \$800-million of actual currency in their vaults ? In other words, they have only one-sixtieth of the money on hand which you deposited with them. This is the information made known to us in the pages of the *Congressional Record* for Jan. 24, 1933.

Of course, they have Government Bonds at par value, and municipal bonds, railroad and insurance bonds not at par value. Of course, their vaults are filled with first mortgages and with notes payable, all of which have depreciated. But from whom could these bankers expect to redeem in actual currency their bonds and their stocks and their notes to pay the American people who have deposited \$45-billion with them ?

If the patient people of this nation have lost confidence in a Government whose Congress, according to the Constitution, has the right to coin and to regulate the value of money, and if the right, therefore the duty—a duty that they have tabled and side-tracked and refused to perform—if they have lost confidence, it is because this Congress has not only NOT exercised its duty, but now has gone on record with a resolution to discuss the normalization of the American dollar nevermore !

That is a most serious situation. It means that hardly a single bank in this country dares to lend a sizable sum of money over a period of more than a few days. It means that business is stagnant. It means that profits are a thing of the past. It means that debts must increase. It means that foreclosures and confiscations must continue. It means that our great industrial plants with their huge investments are seriously crippled.

How long can the banks of this nation survive if this famine of currency money continues ?

There are approximately 19,000 banking institutions within the boundaries of our country. In the year ending June 30th deposits to the amount of 11,500,000,000 were withdrawn from them. One more such critical year and it would require twenty Reconstruction Finance Corporations to keep open the doors even of the 42 banks of this country which hold 32 per cent of all its deposits or of the 195 banks which hold 47 per cent of the nation's deposits.

I quote these astounding figures as a basis of argument against the mighty financial institutions of this nation who maintain so vigorously that we require no normalization of our currency, and yet who should be the first to recommend it if they desire salvation.

#### IV

The people are learning quickly.

The farmers of this nation realize that once before in our history we have had normalization of our currency. They realize that the Federal Reserve policy put into effect in 1920 deflated agriculture \$32-billion—\$18-billion of it in land values and the balance of it on the crops of 1920 and 1921.

Nineteen hundred and twenty was the year when we had the largest volume of money in circulation. It was the year when the dollar reached its lowest buying power. In fact at that date a dollar was worth only 64 cents.

Here is the story : Those were the days when the owners of Government Bonds were dissatisfied with the purchasing power of the dollar.

Thus, beginning with 1921 the bondholders and the financial powers of this country took out of circulation more than \$100-million every month for seventeen months with the result that the buying power of the dollar increased. By the year 1926 the dollar became worth 100 cents.

Had their program of inflation been concluded in the year 1926 there would have been no complaint. It would have succeeded only in normalizing the dollar. But by 1929 the dollar became worth \$1.05. In 1930 it increased to \$1.15. And in 1932 it reached the price of \$1.54. Today your dollar is conservatively worth \$1.60. Today, therefore, we are suffering from a dishonest dollar !

As far as the farmer is concerned, the United States Department of Labor informs us that the dollar is approximately worth \$2.03 in farm commodities. In other words due to the inflation of the dollar, the farmers of this nation are paying \$203.00 for every 100.00 worth of taxes they owe, for every \$100.00 on the mortgage which they owe. It also means that their 5 per cent interest has doubled to 10 per cent.

There, my friends, is a real demonstration of what inflation means. To reduce the 203 cent dollar to a 100 cent dollar by the issuance of the currency money which has been taken out of circulation and sunk in bonds is what we mean by the normalization of the dollar.

But we are told that we must not tamper with the fictitious value of gold.

Now, when the dollar was equivalent to 60 cents or thereabouts, I remember how the bondholders and the influential public utilities who had contracts to sell light and power for so much per kilowatt ; to carry passengers on street railways and on steam railways for so much either per ride or per mile—when these contracts were working to the disadvantage of the owners of street railways and public utilities, what happened ?

Bondholders and bankers approached the Supreme Court to have these contracts nullified on the grounds, to put it in plain English, that if the said contracts were maintained no profit would accrue either to the bondholders or to the public utilities themselves.

What did the Supreme Court decide when this case was presented to them ? It said that the contracts made between the general public and the public utilities were not binding. They decreed that the power to regulate can never be bartered away nor traded away.

Now when the shoe is on the other foot ; when the dollar is worth anywhere from 156 cents to 203 cents, these same gentlemen oppose its normalization through the regulation and revaluation of our currency. It was a blessed thing to regulate the value of money in 1920. But to tamper with it in 1933 becomes a financial mortal sin.

Let us not become stampeded by catch words or by obsolete phrases unscientifically spoken.

Let not the worshippers of the dishonest dollar deceive us by singing the battle hymn of sound money at one moment and then by practicing the policies of brigands at the next.

Sound money, as far as an American is concerned, means 100 cents in one dollar, not 160, not 203, but 100 cents. Unsound money is that which exists today and which cannot be ousted from our midst until the formula of the ages is readopted—1 to 2½ to 12. Otherwise your money is as carbolic acid is to water. Today it is 1 to 1⅓ to 117.

Just yesterday Sir Reginald McKenna, perhaps, the greatest living economist and banker in Great Britain, has gone on record as stating :

*“ Controlled inflation, from being a remedy of fools or knaves, has become widely regarded as the best solution of our troubles, since it has become realized that a substantial rise in wholesale prices need have no more than a slight effect upon the cost of living.”*

It is the only sensible way and logical way to revalue our gold ounce. And without revaluation there is only one thing left—at least three months ago there was only one thing left—and that was repudiation.

Are you not apprized of what is happening in Iowa, in Illinois, in Ohio, in Minnesota, in Michigan, and in the middle-west generally ? These men have rebelled against the dishonest dollar and those who attempt to use it.

Which one of you will condemn those hard thinking, hard working sons of toil from protecting their homes ; from rising in revolution, if you like against the iniquities of a law and man-made contracts that under present circumstances have proven themselves immoral, unsound, unchristian and un-American ?

More power to those farmers ! They still retain that spirit of independence, that love of liberty, and that determination for fair play and justice which characterized the patriots of 1776 who for a lesser reason rose up in mighty indignation against a system of taxation that was not half so iniquitous as this system of exploitation which stamps the financial structure of our present life.

The precedent of the Supreme Court of the United States is on the side of the farmers. The fundamentals of the moral law of God support them.

We have had enough of evictions. We have been surfeited with confiscations. We have been scourged long enough at the pillar of obsolete contracts and mortgages.

And the law of self-preservation, the first law that God gave to man and which ante-dates any man-made law, comes rushing with its support to the farmers in their righteous struggle.

A month ago or more we were satisfied with announcing the slogan of “*revaluation or repudiation.*” But within a few months from today that slogan will be changed to “*revaluation or revolution*” simply because the American people refuse to pay their debts with dishonest dollars.

Let me read you an editorial which appeared in “*The New York World Telegram*” dated Thursday, January 26th. It, too, is entitled “*Workers on the March.*” It reads as follows :

*“ When President Green of the conservative American Federation of Labor declares that his legion of 2,500,000 unionists ‘soon will be on the march’ for ‘perhaps such a battle as no labor movement has fought before’ the government and business leaders of the country must listen.*

*“ When President Edward O’Neal, of the even more conservative American Farm Bureau Federation, says :—‘Unless something is done for the American farmer we will have revolution in the countryside in less*

*than twelve months' the government and business leaders of the country cannot ignore, the warning.*

*" Yesterday both of these spokesmen of the toilers of the city and the farm unfurled their battle flags.*

*" When, last fall, Mr. Green on the federation's convention platform in Cincinnati threatened the use of 'forceful methods' in achieving the thirty-hour week and higher wages, his words had an ominous sound. Criticism broke forth. Censure did not drive him to cover, for in an interview in Nation's Business, organ of the United States Chamber of Commerce, he repeats that he meant what he said and more.*

*" 'We shall,' he said, 'fight with every legitimate weapon at our command to restore the kind of America in which a man can have a chance in his own right. There has been a fear that we are in earnest. Let me use this opportunity to double rivet the assurance that we are in earnest.'*

*" American labor, he explains, has not gone wild ; it simply has come to what it is 'determined shall be the end of the road of suffering.'*

*" The significance of this defiant note is not that there is a new Mr. Green speaking. It is that a new union labor is speaking. Mr. Green never has marched ahead of his rank and file. That he now speaks militantly, desperately, shows that he has been forced by his members to do so.*

*" The same is true of Mr. O'Neal and his farmers.*

*" These warnings are not bluff. Behind them is the explosive desperation of a vast majority of American citizens."*

If that is not enough to disturb the smug complacency of individuals who think that man-made laws and man-made contracts take precedence over God's laws and God's contracts, we have come into desperate days.

You dare not impose more taxes upon a people whose back already has been bowed to mother earth. You dare not permit to continue the starvation and the suffering, the unemployment and the distress which is so universal in a country that is teeming with the real wealth of the soil, the real wealth of industry and the real wealth of manhood.

Cease prating of what happened to Germany when that nation had recourse to the printing press to flood its country with worthless marks. Germany and the United States are poles apart. Germany had no gold upon which to predicate the printing of its worthless paper money. America has more gold than all Europe put together ; possesses so much gold that her currency money today is at least one and one-half times short of what it should be according to the Federal Reserve Act passed in 1918.

Who is unconstitutional ? Who is illegal ? Those who seek redress through revaluation or normalization, or those who, to build up their argument's to, perpetuate oppression, twist truth and deform facts to suit their purpose ?

## VI

My fellow Americans, you are being victimized by misinformation which flows like poison into your arteries from the hearts of those who blindly cling to the presumed inviolability of bonds and contracts and deified gold. Once more human life and human rights are being conscripted on the battle front of depression to become food and fodder for the protection of a financial formula that is unscientific, unchristian and inhuman.

All that the prophet Nehemias said of old can be assigned to the scrap heap or to the gutter. All that Christ said, too, can be given to the gods of war as useless and poetic because man's way has become more superior and more expedient than God's.

Perhaps the United States Senate can table any resolution that aims at inflation, as they call it, but it cannot eradicate the determination from the minds of the American public who today are aroused to demand justice instead of impudence from their duly elected representatives.

In bestowing life upon the creature man, Almighty God likewise bestowed upon him the right to sustain his life by the sweat of his brow. The omniscient Creator conferred upon no man or upon no group of men the license to exploit, to starve or to curtail unjustly the efforts of an individual much less the activities of the agricultural and laboring class of a nation for selfish purposes.

The laborer is worthy of his hire. And the people of this country have a right to the products of this country. That right cannot be taken away from them by the obstruction of a man-made law of antiquated gold. It is the first duty of this or any other Government to erect laws and statutes which will render possible and feasible the employment of every individual citizen who is honest enough to work. That is the business of every state.

That is Catholic doctrine—not socialism, not radicalism.

That is a doctrine that was born in the crib of Bethlehem and was sealed with the ruddy drops of Christ's blood upon the cross of Calvary long before Karl Marx and his atheism ever attempted to gain the leadership of an injured people, and long before any act of Congress decided once and for all that gold is wealth, that gold has a certain value, while men and things that sustain their lives are valueless.



Driving Out the Money Changers

Charles E. Coughlin

## THE SUICIDE OF CAPITALISM

Last Sunday I had occasion to quote a passage from the Old Testament relative to the existence of war bonds and usury.

To refresh your memories the Scripture was taken from the second Book of Esdras. The prophet Nehemias is addressing himself to the nobles and magistrates of Israel.

In no mild terms he rebukes them vigorously because they persisted in profiteering upon the misery of their countrymen who had just emerged from a war.

He said : “ *And I was exceedingly angry when I heard their cries*” (meaning the cries of the people). “ *And my heart thought with myself ; and I rebuked the nobles and magistrates and said to them : ‘Do you every one exact usury of your brethren ?’ And I gathered together a great assembly against them. And I said to them : ‘The thing you do is not good. . . .’* ”

Now, it is generally upheld in modern America that it is sound and legitimate for our Federal Government to issue Liberty Bonds and similar war bonds to those who can afford to buy them. They are tax free. They are interest bearing. Thus they are lucrative to those who can afford to buy them. But in their analysis it means that the laboring and the farming class of America are bound to pay interest to their wealthier fellow citizens for the privilege of having fought and bled in the last destructive commercial war. In its logical analysis it further means that the wealthy class of our country, or rather those able to purchase such war bonds have invested in the destructive debts incurred by their fellow citizens.

At the outset, may I draw to your attention the point which I have been stressing so insistently, namely, that we are engaged in dealing with each other in dishonest dollars, which our Federal Bureau of Statistics admits are equivalent anywhere from 163 to 203 cents in every dollar.

I have been pointing out to this audience that we are suffering from a famine of currency money ; that our real currency has gone into hiding ; has been traded for bonds ; and has brought about a condition of affairs where we are starving in the midst of plenty. Here is proof, then, that the fundamental law of supply and demand upon which

economists are eternally harping has been sunk beneath the quicksands of indecision and unintelligence. Starving in the midst of plenty !

The problem, therefore, which immediately confronts us is to restore currency money to our fellow citizens—not directly, not through any Bolshevik method, but through the channels of trade and commerce, of industry and of agriculture ; to restore it so that supply and demand can operate. This is the natural channel of restoration. Unnatural means such as trying to borrow ourselves out of debt are unsound and fraught with disaster.

To solve this problem I advocated recalling these interest bearing war bonds ; to pay off their present holders in non-interest bearing currency which would soon find its way into circulation and also save us approximately \$400-million per year in taxation.

To this proposal considerable opposition was aroused because it was said my argument was based upon an obsolete doctrine of religion.

I was not so much surprised as one might suspect to discover this attitude among a group of men who conscientiously believe that the practices of religion should find no place outside the walls of a church or perhaps beside the hearth of a home.

For we have long grown accustomed to the modern financial policies which have divorced themselves from Christian charity and, therefore, from the less important teachings of the Master.

But I was greatly surprised when the conclusion was forced upon me that many of our modern bankers and economists failed to understand and to comprehend both the essence and the nature of usury and interest even from an intellectual and rational standpoint.

I fear too many men have succeeded in getting themselves appointed to the chair of bank presidents and to the board of financial directors who were better equipped to manage affairs where less learning, less education and less thoughtfulness are required.

This conclusion has been forced upon us in the last two years. And because of this the American public has lost confidence in a leadership which is well characterized by the biblical expression of "*the blind leading the blind.*"

Before confidence can be restored—and our whole financial structure is built upon that one word of confidence—those engaged in the banking profession had better revise the personnel of their staffs and establish at least a primary school of economics within the halls where directors meet to manage the financial affairs of a nation.

If you will bear with me, I shall try to advance an argument from reason to advocate the recalling of interest bearing war bonds. It is an argument based upon the nature of capitalism and upon the principles underlying interest.

Abstract and dry as it may appear, I am of the opinion that every citizen should acquaint himself with it.

But, before endeavoring to explain the principle which underlies the practice of renting out money for gain, let me rehearse briefly the attitude of the ancient world towards interest. I shall do this only with the hope of elucidating the major cause of our present chaotic condition ; only with the hope of pointing out specifically what immediate and scientific procedure must be taken if we seriously entertain any thought of removing the dire economic effects which we are experiencing and which, if allowed to continue, will shortly destroy our system of capitalism.

## II

It is true that throughout the Bible the word “usury” is synonymous with the word “*interest*”. This identification of the two terms resulted from the fact that in ancient times money was not regarded as being something fruitful, as something which could generate profits in the same way that a grain of wheat buried in the bosom of the earth could generate and multiply other grains of wheat.

Despite this ancient concept of money we discover, however, that about the year 2000 B.C. the practice of charging usury became common amongst the Babylonians. The interest charged by these people sometimes attained the rate of  $33\frac{1}{3}$  per cent.

To the credit of the Babylonians, their great lawmaker, Hammurabi, outlawed this piratical practice.

In Egypt the custom of charging interest became prevalent about the year 718 B.C. and remained one of their pampered theories of civilization until eventually that nation was subjugated by the Romans.

Remembering that the Jewish people had been led captive into Egypt, it is easy to comprehend how the progeny of Father Abraham readily acquired the evil habit of dealing in usury.

But if you open your Old Testament you will read in the Book of Exodus, the twenty-second chapter, in the Book of Leviticus, the twenty-fifth chapter, and in Deuteronomy, the twenty-third chapter—you will read that the practice of charging interest was regarded as immoral and unsound.

In fact you will find that this economic principle, namely, that money in itself was not fruitful and therefore interest charged on money must not be tolerated—you will find that

this economic principle was upheld by the prophets and the kings of Israel and Judea who were very open in their condemnation of usury whenever it appeared.

Thus, in this brief review of the early history of usury and interest it is sufficient to remind this audience that the exaction of money for the hire of money was a pagan custom.

Wherever religion flourished, we find that its leaders always took up afresh the campaign against usury. This was true for at least twenty-five uninterrupted centuries of the Jewish and Christian history.

While the Greek and Roman philosophers theoretically condemned usury or interest ; while in the year 412 B.C. it was Abolished by a plebiscite in Rome, yet we find its practice flourishing in the days of the Caesars.

No wonder the great historian of Rome has exclaimed that the system of slavery wedded to the practice of usury planted the seeds of decay which ruined the ancient world.

### III

Up to this moment I have been speaking of what took place in the ancient world in order to give us a clearer background on the question of modern interest.

Bear in mind that usury and interest for the ancients were identical terms for the simple ; single reason that money was considered as something non-productive.

In modern times money is no longer considered non-productive.

In modern times there is an essential distinction between usury and interest. This distinction arises, if I may bore you with repetitions, from the capitalistic consideration that money is now productive. Please remember that word. Money is productive !

Of course, everyone who is interested in the history of banking or in the history of economics well understands that the Catholic Church for twenty uninterrupted centuries has fought relentlessly against usury. The Church adopted this attitude not only because it was fortified by the many texts of Scripture to which I have just alluded, but because reason itself dictated that no gain may be morally had from a non-productive thing.

Today the Church has not ceased its opposition to this unscientific and destructive usury any more than it has withdrawn its opposition to adultery or to murder.

But with the birth of capitalism, scarcely more than one hundred and twenty-five years ago, theologians, philosophers, economists and scientists began to distinguish between the two words “*usury*” and “*interest*”. The distinction was not one of conventionality. It was one based upon fact ; founded upon the nature of things.

Money began to assume a new role in the affairs of life. While it was still regarded only as a medium of exchange ; while it was never looked upon as a medium of control, nevertheless, it appeared evident from the nature of the new structure called capitalism that money began to be fruitful, to be productive.

In the past, expenses of government had been conducted through the medium of taxation. Portions of wheat, of oil, of wine were exacted by the feudal lords from their tenants. Taxation was levied on the *actual possessions* of the citizens. Wars were fought, universities were built, cathedrals were erected, roads were paved, all at the expense of the *present* wealth of the country. Seldom was its *future* wealth ever thought of much less employed.

Perhaps this “*pay as you go*” method was accountable for the relatively slow progress achieved by our ancestors.

However, the system of capitalism under which we live today was partly predicated upon the theory that now it is possible for the present generation to expand, to build highways and railroads, to cultivate limitless acres of land, to erect churches and shrines of learning, to accomplish a multitude of things in the name of progress mostly at the expense of future generations. Do you get the difference ? Formerly it was present money, actual money. Today it is future money, rented money.

Money, therefore, becomes not only the medium of exchange. It also becomes the ambassador of future wealth. It represents the labor to be expended by the future generation borrowed by the present generation. It presupposes that we of today can use the unborn things of tomorrow—the wheat that is to be grown next year in our fields, the dwelling house which we are unable to pay for today but which we would be able to pay for ten years hence. Now, instead of waiting for next year’s crop to grow ; instead of suffering from inconvenience within the walls of a cabin until such labor could have been expended to erect a modern dwelling, capitalism devised a system of progress and of credit and of prosperity by which the present generation can enjoy at least part of the benefits of the future ; by which a young man need not wait necessarily for old age before he can establish himself in comfort.

Capitalism was a new scientific advance. The nature of money underwent a change. Without capitalism and its power to borrow upon the future where would be such tremendous blessings as the Panama Canal, as our mighty railroads, as our paved highways, as our sanitary cities, as our modern dwellings, as those myriad things which we have called into being through our system of credit, through our confidence in the future both of which are identified with this thing called capitalism ?

If we borrow the labor from the future ; and if the laborer is worthy of his hire, then interest money becomes the wage which we owe the future.

The “*pay as you go*” policy in ages gone by has been superseded by the “*pay as they come due*” policy in the age of the present.

In a word, the principal article of the faith of the capitalist is predicated upon the theory of debt, lending and borrowing against the future for productive purposes. I hope I have made that plain.

In this theory there is nothing immoral, nothing unsound. Likely it is the best theory that has been advanced for financial purposes.

The Christian Church was quick to realize what had happened. She was just as quick to distinguish between usury and interest—usury which is identified with sterility and non-productivity ; and interest which is associated with fecundity and progress.

I know this is frightfully abstract. But, it is tremendously important to the citizens of this country to comprehend the principles which I am about to lay down.

My friends, the vulgar notion identified with usury is only a half-truth. Most men, and perhaps not a few bankers as well as statesmen in this as in other nations, are of the improper opinion that usury merely means an overcharge of interest. I restate that such a notion is only a half-truth, because usury is substantially related to the lending of money for gain on some project which is non-productive. Of old money could not breed money because it was merely the medium of exchange.

Today money can breed money because it is not only the medium of exchange, it is also the ambassador of future wealth, of future crops, of future labor, which we of the present pledge to repay ; use and promise not to destroy.

I feel that I am risking much in dealing with this dry as dust discussion. But it is a risk well taken for I fear that unless we understand the true nature of capitalism, which during the last few years has gone on a financial spree, we are liable to fall into the error that to cure the headache which has followed on the morning after, we had better employ the services of a surgeon to cut it off and replace it with the block-head of Communism.

Then the Scriptural text which tells us that “*the last state of this man will be worse than the first*” will be quoted with much fervor.

My only aim is to invite capitalism and those who control its destiny *to use* the structure which our forefathers have builded for us ; *to cease abusing* it before the same philosophy which predominated in the minds of well-intentioned prohibitionists regarding the use and abuse of wine and spirituous liquors shall once more crop up in our midst with dire results.

But let us return to our subject.

Now that money is fruitful, it becomes evident that it is just and ethical for the lender of money to be repaid for his services, as it was of old for the farmer who loaned his neighbor a bushel of seed to be repaid not only with the seed with which he accommodated his neighbor but also with a small measure of the fruitful crop which sprang from it.

In other words, interest is associated with loaning money for some productive enterprise—for building a factory designed to produce either the necessities or luxuries of life, for constructing railroads, for making possible tremendous public improvements, for accomplishing all the magnificent things which have marked the progress of this last one hundred and twenty-five years. Usury, however, is identified with exploitation, with injustice, with the rental of money for non-productive enterprises.

May I emphasize that word “productivity”. It is essentially associated with the morality of lending money at interest. It is essentially related to the principle expressed by the prophet of old in his condemnation of usury, to the teachings of the Christian Church for twenty centuries, and to the sound principles of capitalism and political economy which should exist today.

I trust that I have made the principle plain. It is the same today as in the beginning. It must be the same tomorrow if our system hopes to endure. Whatever is productive can continue gaining for its owner even though absent from its owner’s hands. Such is money which is now considered not only as the medium of exchange but as the ambassador of future wealth.

These propositions are valid independent of the particular order which exists, be it the Mosaic Law, be it early Christian law, be it the law of feudalism, or be it the law of capitalism.

These principles were valid when the Church laid its veto on usury.

#### IV

But what has happened to capitalism during these last one hundred and twenty-five years or so ?

Why have I entitled this discourse “*The Suicide of Capitalism*” ?

The answer is brief. From the days of the Napoleonic Wars until our own day we have persistently and legally abused interest. We have been guilty of loaning money for non-productive enterprises.

It is a notorious fact that the Rothschilds clinging to the Egyptian heresy, disparaging the teachings of their forebears, despising the precepts of their great leader, Moses, mocking the doctrines of the Talmud and the precepts of the Old Testament, these Rothschilds re-established in modern capitalistic life the pagan principle of charging interest on non-productive, or destructive debts. Under the flag of their leadership there assembled the international bankers of the world who first forsook the principle of gaining interest through productive loans and adopted the heresy of loaning money at interest for destructive purposes. The horrible, hated word spelled “W-A-R” was the secret of their success.

Practically every war since the birth of Capitalism has been a destructive war. The wealth of a nation has either been sunk in ships at sea or buried in bullets in the soil of battlefields. Farms destroyed, cities razed, churches mutilated, industry diverted into false channels of activity, lives sacrificed ! This has been the gruesome record of most wars since the birthday of capitalism.

The Napoleonic Wars, for the most part, as well as the Great War, both absolutely non-productive and destructive, were fought on the basis of bonds and of reparations payable in gold for interest.

Are you not aware that the destructive war which bears the ignominious name of “Great” was organized and fought on gold interest bearing bonds ? Need I rehearse for you again that due to that Great War we have issued among our own people approximately \$12-billion of debt money payable in gold to heal its economic wounds ?

That, my friends, is the greatest modern abuse to which interest has ever been put. That has been the greatest mistake capitalism has ever made. That is usury. In the words of the prophet Nehemias, “*That is not good.*” In the mind of every sound economist that is a disastrous thing.

Here we have billions and billions of dollars represented by bonds-interest bearing bonds—which are held by the banks and the wealthy individuals of our nation. For these bonds bearing interest, we, the people—the farmers, the laborers and the unemployed—must pay tribute to our own fellow citizens for a purpose that was non-productive ; for the privilege of having speeded up our factories, drained our fields, sacrificed our young men on an altar of destruction.

For having entered so fool-hardily into this spree of spending, of wasting, of destroying, we have accumulated tremendous debts which are rendered more immoral because to these debts there is attached interest ; because on these debts we have squandered the productive labors of the future. We have stolen from the future rather than borrowed from it—the future with its wealth that may only be used for productive purposes.



I trust that you are patient with this abstract discussion. It is necessary, my fellow citizens, that you spur your intellects to that point of comprehending where you can grasp and understand what it is my privilege to tell you. It was not taught to you in your school days and it will not be printed in your newspapers.

Whether you dwell in an humble farm house ; whether you are a renter or a home owner in a city ; whether you sit at ease in your club or in your hotel, you cannot afford to be ignorant of these philosophic facts.

The future salvation of our nation and the continuance of the existence of the system of capitalism depend upon how well we shall grasp this principle and put it into practice.

To quote from a book entitled “*The Twelfth Hour of Capitalism*” written by the learned Kuno Renatus, we find expressed the ideas which I have been stressing for the last few Sundays. He says :

*“ Relatively young as capitalism still is, it has already entirely forgotten the conditional nature of the law of productivity on which its whole system rests. ‘ Thou shalt only incur debts for productive purposes.’ ”*  
Capitalism has been false to itself.

Well have the international bankers of the world learned by rote the heresy which was re-established by the Rothschilds in the early nineteenth century.

While they have succeeded in concentrating wealth in the hands of a few, this concentration of wealth was an immoral effect produced by an immoral cause. And the cause was the issuing of bonds and the charging of interest on non-productive debts.

Once more I am constrained to quote for you the proof to substantiate this statement. It is “*The Hazard Circular*” which originates from the Rothschilds of London in the year 1862 while we were engaged in the Civil War. It reads as follows :

*“ Slavery is likely to be abolished by the war-power, and the chattel slavery destroyed. This, I and my European friends are in favor of, for slavery is but the owning of labor and carries with it the care for the laborer, while the European plan, led on by England, is for capital to control labor by controlling the wages. This can be done by controlling the money. The great debt that capitalists will see to it is made out of the war, must be used as a basis to control the volume of money. To accomplish this, bonds must be used as a banking basis. It will not do to allow the greenback, as it is called, to circulate as money any length of time, as we cannot control that.”*

There you have it, my friends ! Bonds, debts and interest charged on unproductive enterprises ! You have it in their own confession.

Unproductive debts !

It was the same policy pursued by the international bankers who just a few years ago like sirens played their treacherous symphony of pretended patriotism upon the organ of American hearts while they sold us interest bearing bonds for destructive purposes. And we in America went mad to buy Liberty Bonds. God bless the word ! They should have been called “slavery bonds” !

Today the seemingly erudite bankers of our country have forgotten the very essence and substance which surrounds the nature of interest. They have misconstrued the very fundamentals of their own system of capitalism to such a degree that they erroneously think that whenever money is loaned it must bear interest. They have failed to distinguish between a productive loan and a destructive loan.

If this principle were thoroughly understood by the it would accomplish more in wiping the curse of war from the face of the earth than all their peace conferences and haphazard Leagues of Nations combined.

No wonder that financiers find themselves, in the words of Montague Norman : *“To have reached such a pass in the condition of human affairs that we know not where to turn.”*

This condition has eventuated because unlearned man, into whose hands had fallen the guidance of the system of capitalism, misunderstood and mismanaged the child of their own devisals, preferring to follow the mandates of a group of international bandits who, careless of the peace and tranquillity of the world in which they live, preferred to amass personal gain at the expense of universal suffering.

Now that the world, and especially America, is beginning to reap the furor of the whirlwind, we seem incapable of stemming the cause of our misery.

Especially for the last four years we have listened to leaders whose only suggestions were centered around increasing taxation, lowering wages, instituting moratoria, beating down prices. These are the childish suggestions which rush to their minds when forgetful of the law of compensation and unmindful of the repercussions of injured justice they refuse to admit the obvious thing, and blind themselves to the unfathomable canyon of unproductive debts into which they are hastening unto their own destruction.

Professor James Mavor, the eminent economist at Toronto University some years ago, once remarked that every war since the days of Napoleon tends to destroy capitalism.

The background for this remark, of course, is identified with the destructivity, the waste, the ruin, the unproductiveness which result from war.

Where are the monarchies which existed in 1914 ?

Spain is regulated by a Socialist Government and so is Portugal. There is a Socialist premier of France ; a Socialist premier of England.

Italy has its Mussolini with his Fascism. Hitler sits in the saddle of German authority. Stalin has driven Russia to the extreme of Bolshevism. Our neighbor, Mexico, has gone Communist. Almost two-thirds of the white race has divorced itself from capitalism.

Are we not conscious of the trend of the times when before our very eyes the political complexion of Europe has been changed over night ?

And has the sagacity of our financial world been so obtuse that it cannot comprehend the cause of this upheaval ?

Is it not attributable more to the immorality, to the unscientific polity of piling debt upon debt with interest bearing bonds for purposes of destruction ?

Oh, that the financiers and economists of this nation would interest themselves in the analysis of this entire situation by reading the 1931 edition of "*The Twelfth Hour of Capitalism*" by Kuno Renatus who is attempting to defend this system against its own suicidal proclivities !

Ladies and gentlemen, we are somewhat fearful of the radical Communists who prate their doctrines of atheism from the pulpit of their soap boxes.

But we are more fearful of those radicals who sit in the seats of the mighty ; radicals who despise the fundamental science of their own system have waxed fat under capitalism and are now bent upon killing the goose that lays the golden eggs.

I repeat, we are fearful of them who, perhaps, in their ignorance as well as in their arrogance, clothe with linen and fine purple a body of festered philosophy which ultimately is destined to self-destruction. And by the linen and fine purple I mean the paid propaganda of dressed up ignorance which spreads itself upon the pages of too many magazines and newspapers.

I am speaking as no prophet but as one who, at least, is schooled in the fundamental science of political economy and in the history of usury and interest ; I am speaking as one who is sufficiently conversant with the facts existing about us to warn this nation that if it persists in maintaining the immorality of its blood bonds and unsound national war debts, there is only one inevitable outcome. It is the suicide of capitalism, the birth of Socialism or worse.

Capitalism is on the straight road to ruin, not due to the Socialists, not due to the Communists, but due to itself. It has turned the routine of production into destruction. As to that there is no doubt.

The croakings of Communists who would like to begin digging its grave are by no means premature in their rejoicings. Like a monk in the Trappist Monastery capitalism is daily digging its own grave.

The clock points to five minutes to twelve. Only a rapid decision can now save capitalism from itself.

Already capitalism, beginning to find no further opportunity for investment that offers security against loss, can think of nothing better to do with its income than to invest it in the destructiveness of war debts.

As Disraeli said years ago in England : “*A country that invests in its war debts is a country decayed.*”

May I take this opportunity to publicly applaud those industrialists of our nation who have invested their fortunes in factories and in mills rather than in blood bonds. Of them be it said that they have risked their all in the future of our country. Of the others be it noted they have risked nothing, but like leeches have invested in the blood money of its misery.

Of old I remember that Cato, that noble Roman Senator, was accustomed every time he ascended the rostrum to conclude his speeches with “*Carthago delenda est—Carthage must be destroyed.*” Today we shall keep incessantly repeating that war bonds must be eliminated. To them do we attribute the famine of currency money. By them have been attracted the billions of dollars of this country’s capital from the fortunes of men who have lost faith in our prosperity. They have invested in loss rather than in gain. They have dined with death rather than with life.

Oh, there is patriotism for you—patriotism that sells our country short, patriotism that waxes fat upon poverty and destructive debt, patriotism, I suppose, that presumes that its bonds will be honored by a people who have been awakened to the perilous situation in which we find ourselves, and to the diabolical machinations of a group of international bankers whose object is to build up immense fortunes by controlling the wealth of a country at the expense of its war bond issues. So true is this today that our Federal Government is actually borrowing money from the banks which hold \$6-billion of war bonds—borrowing money from the banks to pay them back the interest it owes them on the bonds.

Call this Christianity if you will, or despise it as the utterance of an agitated mind. But history will inevitably repeat itself.

What has happened to Europe but yesterday cannot be escaped by America tomorrow.

It is apposite for every American despite his creed or his political allegiance to stand four-square back of our courageous President-elect who knowing the secret of capitalism, and fully cognizant that it can only exist if predicated upon productive debts is willing to spend billions of dollars, if necessary, upon the development of Muscle Shoals where a new empire shall have its birth, a new land shall be reclaimed, a new liberty established.

Once more let us rid ourselves of this cursed famine of currency money which blights our progress and which multiplies starvation. Call it not inflation for that is a lie. Term it not cheap money for that is a falsity. Belittle it not, for if you care to argue, argue with the truth. Unless currency money can be re-circulated and unless we can bring back 100 cents in every dollar, there is little hope for the continued existence of the financial institutions or for our own prosperity.

In conclusion I appeal to the financial leaders of this nation to study the structure upon which their capitalism has been built ; to operate it according to the laws of reason and of justice ; and to desist from an activity which preceded the downfall of Babylon, of Egypt, of Rome, and which has been condemned by all the intelligence of the ages.

It is not that I would harm your banks ; it is not that I would harm any of you with such a public statement. My friends, I would save you from yourselves—from the suicide of capitalism.

Driving Out the Money Changers

Charles E. Coughlin

## THE SALVATION OF CAPITALISM

Standing upon the shore of life's tempestuous sea, I have beheld through the mariner's glass of history many political ships battered to pieces by the winds of passion and of greed. Thus, I am too much of a realist to subscribe to any optimistic theory that our capitalistic democracy can escape the inevitable reefs of destruction unless it envisions the wreckage which time has strewn before it and then guides its course along the waters of the channel charted for it by the Great Mariner of Eternity

In last Sunday's discourse I pointed out that capitalism must withdraw from its practice of usury or from hiring out money for unproductive and destructive purposes. This is only one of the imminent dangers which threatens its existence.

Today, may I weave together a few thoughts relative to the salvation of Capitalism. May I counteract a few current practices which are tending to destroy capitalism from within.

## II

Possessed of a flourishing faith our forebears devised ways and means of borrowing from the future to expand the present. In a short space of one hundred and fifty years, with scarcely any money at their disposal, both they and we have accomplished more for America than did our European ancestors in the past fifteen hundred years accomplish for their native lands. Future historians well may marvel at the progress and prosperity which have marked the brilliant career of the nineteenth and early twentieth centuries. Let them tell the story of the railroads whose pathways of steel have supplanted the trail of moose and deer. Let them picture how forests have become cities teeming with culture and industry, or recount the epic of the motor car, the airplane or the radio. But these mighty accomplishments pale into insignificance compared to the mutual faith which we, the citizens of this nation, placed in each other. It was this mutual confidence which was responsible for our magnificent development. It was this basic fundamental virtue of capitalism without which we could not have had our railroads and our development.

But evil days seem to have come upon capitalism—an economic system based upon mutual trust and confidence—as once evil days overshadowed Christianity—a religion builded upon mutual love.

In the early ages of Christianity pagans were accustomed to marvel at the love of those who chose to follow the teachings of Jesus Christ. “*See how they love one another*”, was the universal observation. And in future days it shall be said of our dying generation : “*See how they trusted one another.*”

The universal love of Christians for one another would have endured throughout the centuries had their leaders remained faithful. Bloodshed, the desecration of the Thirty Years War, the bigotry and the mad antipathies which since have so often characterized the followers of Christ would not have come into being except through the doorway of internal abuses.

Nor would Communism or Socialism, strikes or discontent and above all a break-down of confidence have confronted us today had capitalism remained faithful to this fundamental principle upon which it was established.

My friends, that is why I am not afraid in the face of ignorant, superstitious criticism to place my finger upon the cancerous sores which are gnawing away at the vitals of our economic structure ; festering sores which must be healed, before healthy confidence can be restored.

### III

First, let me paint for you a verbal picture whose original has been multiplied, unfortunately, throughout our fair land. Call it, if you will, “*The Return of the Unknown Soldier.*”

I wonder what would be the reaction of the Unknown Soldier should his spirit come back to this mortal life ? He would seek out his mother and his father on the little farm where they lived. The farm is still there. The house is desolate. The porch has sunken in. The barn is empty.

He listens as the postman tells some stranger that the former dwellers in that place which was once called home went to the poor house five years ago. Now they have died of broken hearts !

Disconsolate, the Soldier hurries off to the great city where his younger brother lives. Surely there will be a vision of sunshine in Joe’s home. Joe is married. Joe has three

kiddies who would be anxious to hear about France, about Foch, about Armentieres, about the scarlet wound where death entered in—anxious to hear could he but speak !

*“Yes, this is Joe’s home.”*

While he pauses before the door he sees a baby hand scratching away at the window panes which are silvered with frost. There is a strange silence which hangs ominously over the entire street. The Unknown Soldier enters through the closed door, unseen, unheard !

*“Why there is Joe ! But it can’t be the same little brother ! How old he has become—that fearful cough, those deep wrinkles, such shabby clothes !”*

There are signs of lean poverty everywhere he looks.

Three or four dilapidated pieces of furniture, a cold bleak floor, a sickly fire sputtering in a midget stove ! And in the bedroom lies Joe’s wife, thin and wan with cheeks stained with the pearls of suffering.

*“What has happened to the sunshine ?” “Where is the cheer, the laughter ?”*

May I tell you, Soldier Boy, what Joe would answer if he thought that he could address you ?

Oh Soldier, Joe would tell you that he and 12-million more sufferers, jobless, hungry and desolate, are living proofs that the Great War which was fought to make the world safe for democracy, for prosperity, was a damnable, money-mad hypocrisy.

If Joe only knew that you were standing here like a Lazarus come back from the tomb, he would say :

*“This is not the same America from which you sailed in 1917. Millions of farmers like mother and dad have forgotten how to smile. Millions of workmen and their families like Mary and myself and the kiddies are fighting a worse war than you and your buddies ever dreamed of.*

*“And why this poverty ? All because I can’t find work. Why is there no work ? Because there is no money.”*

And so would dawn upon the Unknown Soldier the suspicion that perhaps he had helped make the world safe for—well, not for democracy, at any rate.

Oh, how vividly he remembers the day when he enlisted to go overseas ; remembers how on the City Hall Steps of New York a smiling movie actress sold Liberty Bonds. Billions and billions of dollars worth of them were purchased by those of us who stayed at home



while the band played “*My Country, 'tis of Thee*” when it should have been playing “*My Wall Street, 'tis of Thee*”.

*“Yes, Soldier Boy, you went to France, and fifteen years later our country went broke. The big railroads have few passengers to carry. Miles and miles of freight cars stand like ghosts upon sidings from here to San Francisco. Down in the harbor there are hundreds of ships rusting at anchor. The farmers out west can hardly give away their crops. The Darkies have ceased singing in the cotton fields. The country banks have their backs against the wall. And the big metropolitan banks and many wealthy corporations and individuals are living on the profits of more than \$12-billion worth of those war bonds, those Liberty Bonds and the like which you thought were going to help keep your dad and mother on the farm and your kid brother Joe and his family with a smile on their lips.*

*“Oh, we have been sorely distressed in America since you ‘went west.’ Billions of more dollars were borrowed from the people to help those railroads and banks. But mighty few cents have been spent to keep the wolf from the door of the factory worker or the roof over the head of the farmer.*

*“You can hardly believe it, can you ? You are trying to ask me what we are doing about it ?*

*“Why during these last four years we have been ostriches with our heads in the sand, practically refusing to admit that anything was wrong with the great United States of America.*

*“Well, really there isn’t so much wrong with the country. The people are just as good as ever. In fact they are better. But I am afraid that the word ‘democracy’ has changed its meaning since you were here last. I am afraid that it means ‘plutocracy’. Too many financial institutions prefer to invest in war bonds, in our misery, rather than in our prosperity and industry.*

*“But things are looking brighter. We have had a new deal promised to us. We are awakening to the fact that we can’t borrow ourselves out of debt ; that we can’t live on the debts of other people. We are beginning to admit that the poor people, the factory worker and the farmer cannot be expected to make the rich richer for the billions of dollars which we spent in the name of the Great War to dig ourselves into the hole of the depression.*

*“Next spring when the cherry blossoms bloom along the shore of the Potomac, when the birds sing and when little children can romp out doors in God’s sunshine and warmth, there will be school boys mingling with Senators and Congressmen and silk-hatted diplomats visiting your tomb. In their hands they will carry wreaths of flowers. On their lips there will be words of praise for your valor.*

*“Buddy, I hope that within their hearts they will say an act of contrition not only for the sinfulness that cut short your life and the lives of 20-million other boys, but also for the hypocrisy which forced Joe and his fellow countrymen to suffer and hunger to preserve the sanctity of profiteering war debts—debts, which like nails, have crucified the world to the cross of gold ; debts, which like a Barabbas are preferred to the happiness and comfort of the men and women of this nation, the brothers and sisters of Jesus Christ.*

*“Go back to your tomb, Buddy. And as you go, look not at the mud flats of Anacostia ; for but a few months ago your more unfortunate buddies, who came back from overseas, went down there peacefully to encamp and to ask for bread or for a job. Instead of getting a job they were scorched with fire. Somebody called them the ‘B.E.F.’-the ‘Bonus Expeditionary Force’. They were too late. The other ‘B.E.F.’ got there first—the ‘Bankers’ Expeditionary Force’.”*

*“But as you pass by Lincoln’s monument, stop and look at his worried face which dreams in brooding bronze. Look ! And enter again into your peaceful tomb. There rest in peace ! For his immortal words shall not have been spoken in vain. This country is ‘of the people, by the people and for the people’—it was not intended to be of the few and by the few and for the few !*

*“Soldier Boy, I swear, you have not died in vain.”*

*“Rest in peace, Soldier Boy.”*

*“Better days are coming. While the sharp sword of winter’s piercing frost remains unsheathed, we will do our best to feed and clothe your Joe and his little family and all those who have suffered because of the “Great Mistake”.*

#### IV

“Sentiment,” do you call this ? There is no sentiment about it. I have picturized what is really transpiring in our midst.

It is the cruelest, most destructive fact in all America.

If we are honest, we will admit it. We will admit that this picture has been reproduced twelve million times too often. We will admit that both the copies and the original of it must be destroyed if that mutual confidence upon which capitalism exists, can continue to survive and flourish.

Let us pass, now, from verbal pictures to prosaic facts to see if confidence is really being destroyed and if we can help restore it before it is too late.

For the past four years we have been patiently awaiting for some definite solution to be proposed as a curative for the economic and financial evils from which we are suffering.

For the past four years we have been anticipating that our national budget would be balanced and that the personal budgets of corporations and of individuals would likewise be balanced in order that prosperity can return.

The only solutions offered up to date were negative. In the face of 9-million unemployed men, it was proposed to cut wages and to cut operating costs of production. That is the way to get back prosperity ! This resulted in the increasing of unemployment to 12-million and in slowing down production 36 per cent.

Then there was an effort to meet the situation by an increase in taxation. What happened ?

Prices fell ; the budget became more unbalanced ; national and private debts became more burdensome.

Finally within the last few months came a multitude of suggestions aimed at increasing the purchasing power of the nation ; aimed at circulating more currency dollars among its citizens.

In this classification of suggestions we were advised by radicals to forsake the gold standard and by conservatives to revalue or normalize our gold through the recalling of the usurious bonds, which more than anything else have destroyed the practical functioning of our money system. The other policies had ended in failure. This new policy held out a fresh hope. But like everything new it was scoffed at. Like the steam engine, the motor car, the radio ! Shallow critics said it could not work.

Now when practically every person in this nation has diagnosed our economic illness as one associated with the famine of money, it is also akin to tragedy to discover so much ignorant opposition which has been marshalled like toy soldiers to oppose what inevitably must follow.

First of all, it is distressing to discover that some bankers, many Congressmen and even a few Senators have not grasped the fundamental laws associated with the word "money" or "standard of money."

Let us get this point clear : A standard of money, be it a gold standard or a silver standard or an ivory standard, must work on the same principles under the system of capitalism. It means that if the structure of money wishes to endure and function under the system of capitalism, this money first shall be divided into three parts, namely basic money ; secondly, spending money, and thirdly, borrowing money.

Capitalism demands that there be a sane extension of credit money. Civilization demands that there be a sane amount of currency money. And honesty demands that there be a sane existence of basic money.

Now, these three parts of money must be related to each other in the proper proportion: namely, 1 unit of basic money,  $2\frac{1}{2}$  units of spending money and, at the most, 12 units of borrowing or credit or debt money, as you will call it.

That is what we mean by the standard of money, namely 1 to  $2\frac{1}{2}$  to 12, just as we mean by the standard of measurement 1 yard equals 3 feet or 36 inches—1 to 3 to 36.

I repeat that I am amazed at the ignorance of this fundamental thought—the colossal ignorance which exists in the minds of so many ordinarily well-informed men.

Thus, if gold happens to be our basic money it certainly must exist in the proportions of 1 to  $2\frac{1}{2}$  to 12. If silver happens to be our basic money it must exist in the proportions of 1 to  $2\frac{1}{2}$  to 12, etc. It makes no difference what the basic money is. The proportion, the relativity of basic to spending to borrowing, that is what constitutes the standard of money.

## VI

Now I am tremendously pleased with the progress this country has achieved since it has dedicated itself to regulate its finances with gold as its basic money.

More than that : I have that hope in the future to realize that since our nation is so well equipped with gold—possessing 47 per cent of the entire amount that exists in the commercial world today—I have that hope in the United States to foresee that by retaining gold as our basis of financial activities, we will be able to accomplish more in the next one hundred fifty years than was accomplished during the past one hundred fifty years provided that while we adhere to gold as our basis, we shall not forget the common standard of 1 to  $2\frac{1}{2}$  to 12 upon which gold or silver or any other kind of money must operate.

Thus then, if gold happens to be valued at \$20.67 an ounce—that is not the gold standard. That valuation of gold is an accident that has no substantial relation whatsoever to the real standard of money.

May I clarify that statement by using another example : A human being is defined as a rational animal. He is an animal with a body and with a soul that is capable of thinking. That is the standard. If he happens to be a Chinaman or a Frenchman or an American ; if he happens to be 12 years old or 50 years old or 100 years old ; if he happens to be 3 feet tall or 5 feet tall or 6 feet tall ; or if he should weigh 100 or 130 or 190 pounds—these things are accidents. They do not constitute the standard of what a man is any more than the valuation of gold at \$5.00 an ounce or \$20.00 an ounce or 100.00 an ounce constitutes the gold standard.

The word gold is only an adjective which describes the substantial thing called money. And the common standard of all capitalistic money must conform to the definition of 1 basic unit to 2½ spending units to 12 units of debt or of credit.

Thus, my friends, when we behold the financial picture which confronts us today, what is the truth of the matter ? Are we adhering to the standard, or has it been set aside ? Is capitalism preserving itself when it so openly disregards the standard of its own money ?

Here is the answer : We have 4½-billion units of gold money retained within our nation. We should have 11-billions of spending or currency units. We should have no more than 54-billion units of debt money. But instead we have in reality only 3-billions of spending money and 235-billions of the debt money instead of 54 billions. Somebody had upset the applecart! The debts are a fact. Christianity orders us to pay them. So does Law. So does the voice of civilization. Let us adjust the value of an ounce of gold to make possible the payment of these debts. Let us “regulate” the value of gold so that the formula of Capitalistic money can be restored 1 to 2½ to 12 !

Thus, I am sure that this audience has sufficient intelligence to understand that those who are advocating most strenuously that we must not leave the gold standard are the very ones who have really forced us off the gold standard. Revaluating or normalizing the dollar is merely a sane attempt to restore the logical standard of money, without which capitalism cannot endure two years longer.

And what is my suggestion ? First of all, let us return to the real standard of money by a process or revaluation or restoration or normalization, whatever word you care to use. The point is, let us return to the scientific standard of money without which unemployment will not cease, industry will remain crippled, and distress shall not depart from us, and revolution shall absolutely come among us.

When this happens, blame not the Communists or the Socialists. Blame those who are impeding the restoration of the standard of money upon which capitalism can operate.

## VII

Now we are confronted with certain facts which neither optimism nor wishing can remove. Action is required.

The first fact is that we have accumulated \$235-billion worth of national and private debts which either must be paid or else repudiated.

Since these debts have upset and unbalanced the scientific standard of money, what will happen ? Well, one of two things can logically happen. The first is this : By a legal process these debts will be melted down either through individuals or corporations going into bankruptcy and saying that they cannot pay them. Then the law will step in and decree the inability of the debtor to pay anything more than 10 cents on the dollar or 15 cents on the dollar. Then, the law will wipe off the books the outstanding debt, to the loss of the person or persons to whom they are owed. Or else the farmers of this nation, the householders who are paying on contract and all such similar persons will say : “*We are not going to pay our debts. Try and collect.*”

Is this not being done practically in every State in the Union today ? Is this not the repudiation of which I have been talking ?

Now, I ask you to answer this most important question :

Do not both these things which I have mentioned—bankruptcy and repudiation—do not both these things tend to destroy the confidence and the credit upon which the structure of capitalism has been built ? Do not the closed banks which in one sense have either become bankrupt or, if you care to say, have repudiated their obligations to their depositors—do not these closed banks destroy more confidence in a day than the sweet words of oratory and optimism can ever upbuild in a century ? And in turn, have not the banks lost confidence in the citizens insofar as they dare not execute the customary loans ?

Because we have upset the standard of money, we have attempted to destroy confidence.

When confidence goes the structure of capitalism tumbles.

But, my friends, all this is not necessary. There is a safe way, a sane way of restoring our money standard to normalcy and thereby restoring confidence.

It is the method which can save capitalism from a certain destruction which awaits it within the next ten years. It is this : Let us reevaluate not the gold standard : that is beyond the power of any human man as much as it is beyond the power of any chemist to reevaluate the standard elements which enter into the nature of water. But let us

theoretically reevaluate the gold itself, which is only another way of saying, let us practically restore the standard of money as it should be under the system of capitalism.

As we have only approximately \$3-billion of currency money in real circulation when we should have \$11-billions of it, therefore, by legislation put forth as much more money, namely, approximately \$8-billion, into the hands and pockets and purses of our people, but through legitimate channels. What method can we use to do this ?

For the past few Sundays I have been pointing out how unintelligent, how immoral it was for us to have builded up such tremendous unproductive debts against which there are heavy interest bearing obligations.

Once more, I repeat, let us recall those war bonds and if necessary, sufficient government bonds upon which \$400-million are being paid in taxes to our Government who in turn, hands this \$400-million over to its bond holders.

Give to the banks and to the wealthy individuals who hold these bonds currency money, which bears no interest when it is idle or when it is resting in the vaults of a bank.

Then the bankers or the millionaires who hold these bonds will be forced when they receive the currency money to invest it or else pay the penalty for keeping idle money in idle vaults.

My friends, that is the most conservative, scientific and moral proposal which I can suggest. That is the practical way of revaluating the gold ounce. That is the safe and sane way of rescuing capitalism from the enemies who dwell within its ranks.

## VIII

I do not pretend that this proposal is a cure-all for the many ailments from which capitalism is suffering. But I do know that those who are arguing against the restoration of a standard of money which the war profiteers have destroyed—I do know that they refuse to face this argument but rather they content themselves with harping upon such words as “*inflation*” which no one is proposing. And in harping on it, they are surrendering the confidence which the American people have placed in public utterances. Dishonest or ignorant propaganda has overreached itself to such a degree that it is discrediting what it is hoping to save.

For instance, Mr. Walter Lippmann, who enjoys such a tremendous and well-earned reputation among the reading public of this nation, seemingly misconstrues the entire subject when he writes as follows : “*When a currency inflation gets under way the ordinary man, the small farmer, the man with a few savings, the wage-earner, the small*

*business man, finds himself utterly bewildered as to what to do. He does not know how to take advantage of a wildly fluctuating currency.”*

That is the opinion which he has expressed, forgetful that the wildly fluctuating currency of which he talks is that which exists today when a dollar contains 163 cents and when a farmer is forced to pay \$203.00 on his \$100.00 mortgage.

Inflation of currency only begins when the standard of money which is 1 to 2½ to 12, has been destroyed. There is no inflation in bringing things back to normal. The American people know this. They are beginning to suspect that those who oppose normalization are using unfair tactics to uphold a dishonest dollar.

Others, like Senator Reed of Pennsylvania, denounce the proposals of those who would normalize our money standard which today lies stricken and maimed upon the doorsteps of our nation, denounce it by stating that it is “*stealing from one class to help another.*”

What kind of philosophy is that ? Is the Senator not forced by logic to admit that, therefore, he wishes the continuance of the present unsound standard of money which forces us to pay 163 cents for every dollar’s worth of commodities we buy ; which forces the farmer to expend 203 cents for every dollar of debt that he owes ?

My dear Senator, the stealing is on the other side !

The present dishonest dollar buys too much labor, too much wheat, too much real estate. It is a highwayman’s dollar which robs the laborer, the farmer and the home-owner.

And again there is that third type who is opposed to the suggestions which I have here expressed. They are men who find themselves in the same category as Representative Luce of Massachusetts. These clumsy defenders of capitalism do the most harm. Because of his public radio utterances, it may, be well to answer the Congressman more at length.

## IX

Last Monday evening there was a banquet held at the Waldorf-Astoria Hotel, New York City, at which were present approximately 450 of the financial leaders from Wall Street.

The real purpose for holding this banquet was to discuss whether or not it was proper to normalize our present dishonest dollar. Senators Thomas and Smith spoke at this banquet as did ex-Senator Robert L. Owen, advocating the immediate normalization of the dollar until it contains only 100 cents.



According to “*The New York Herald Tribune*”, the journal partly owned by Mr. Ogden Mills, Representative Luce evidently upheld the main argument for the negative side.

By the way, Representative Luce hails from Massachusetts. He is a most erudite man, a graduate from Harvard College, a member of the bar, a Member of Congress for a period of sixteen years.

He came to argue against revaluation. Unfortunately his arguments preferred to divorce themselves from facts and figures and to center upon personalities.

Representative Luce, this most eminent defender of the present economic policy which, by the way, is known by the fruits which it bore for the last three years, turned his eloquence, his learning, his legal training and his experience of sixteen years of debating in the United States House of Representatives upon an insignificant clergyman who dwells at Royal Oak, Michigan.

In a way I feel honored in having been selected as the target for the remarks which spilled from the lips of this gentleman.

In one hand I have the speech delivered by Representative Luce actually as he uttered it.

In my other hand I have the copy of the speech which he was supposed to have delivered and which he handed to the newspapers for them to print. I am sorry that the distinguished member from Massachusetts forgot his lines and digressed so greatly from the original copy.

According to stenographic report here is what he actually said :

*“I do not like to inject religion into a discussion of economics of this sort, but the addresses of Father Coughlin make it necessary that I should do so. This is particularly dangerous because these addresses are delivered to millions of people who have not the intelligence (perhaps I should say the training) to grasp the full significance.”*

Ladies and gentlemen, the Congressman believes that you have intelligence enough to vote for him but not enough intelligence to understand the basic principles of bread and butter, of home and fireside.

That is the fine tribute, Walthamites, which your congressman pays to you, his constituents.

Personally I do believe in the intelligence of the American public. I do believe that they have risen up in their wrath against this kind of high-browism, of holier-than-thou intelligence, which for the past few years has taken great care to permit an immoral inflation of debts ; which has protected gambling on the stock markets ; which has connived with the culpable misdemeanors of banking houses ; which has been guilty of the multitude of crimes associated with the proficacy of prohibition ; which has stood

idly by while the American farmer and laborer have been exploited. Finally, when the crash came, when their paper castle of cards tumbled to the ground, they tried to persuade us that all is well, to soothe us with the sophistry that prosperity was just around the corner while they were in the act of doling out billions of dollars to those who were most responsible for the plight in which we find ourselves.

Congressman Luce is an able exponent of that school of philosophy and of economics which has been repudiated by the American people.

In his speech he goes on with this : *“His (Father Coughlin’s) pleas are filled with prejudice. He is arraying class against class in this country”*. I think I have heard that once before.

Ladies and gentlemen, I would not bemean myself to speak disparagingly of any sacrosanct Representative. But I will pause to remind him that the day before he gave vent to his courageous utterance I devoted an hour over this microphone endeavoring to uphold the very system of capitalism which he and his kind are endeavoring to destroy by pampering and petting the abuses which have crept into it.

Of old it was said of Jesus Christ by those who set forth to crucify Him that *“He stirreth up the multitudes.”* It is the cheapest argument found in the pages of history. And it loses none of its cheapness even though repeated nineteen centuries later.

Personalities must never find their way over any microphone. But when one considers that here is the noble, learned, exponent of our present economic system unsheathing his sword to defend capitalism in honest battle ; when one beholds him standing before the microphone of Station WOR of Newark, New Jersey, choosing such ridiculous weapons of defense, the so-called unintelligent people of this country cannot help but wonder whether or not he possessed any valid arguments in his armory when he is forced to use the stink bomb of vituperation.

One more reading from the speech which Congressman Luce delivered in defense of the present system of economics he says : *“This (meaning Father Coughlin’s discourses) is the strangest mixture of economics and religion which I have ever read. It appeals at once to man’s highest hopes and to his basest passions and to the worst elements in the life of America by combining religion with economics.”*

It is regrettable that such an eminent economist and friend of the international banker has committed himself in such a manner.

Evidently I take it that religion should not be mixed with economics. Evidently the Bible is in error when it says that *“the laborer is worthy of his hire.”* Evidently, the Scriptures are infiltrated with deception when they condemn usury or when Christ bespeaks Himself as having *“compassion on the multitude!”*

They banned religion from politics in Soviet Russia. Does he wish the philosophy of Bolshevism adopted here in America ?

To whom else can the people of the country turn their broken hearts except to their priests and their ministers and their rabbis ?

Are they not disgusted with the financial philosophy which has emanated from Wall Street and which has found parrot expression for the past four years on Capitol Hill ?

Religion ante dated economics. The Catholic religion will continue to flourish and to defend the people of all nations and all creeds long after the last Nero will have tried to put the blame upon Christianity for the conflagration of a Rome which he himself ordered to be destroyed.

*“Appealing to the basest passions”* says he when we are asking for simple justice ; when we are demanding that human rights take precedence over financial rights, and when we are merely trying to preserve the structure which our ancestors built and which some are endeavoring to destroy from within !

Capitalism must begin to admit its faults ; must begin to clean its own house. Let capitalism admit that its entire structure is builded upon confidence and credit. Let it set forth then instead of discountenancing evil to eradicate it by kneeling down, humbly saying its act of contrition and admitting its many faults.

Unemployment, dishonest currency and feeble leadership, to which three weaknesses I have referred this afternoon, must depart from our midst if capitalism and the confidence which sustains it will endure.

I would welcome Congressman Luce or Senator Reed or Mr. Lippmann to share with me some Sunday a half hour of this program to express their views with facts and figures and not with fancies.

Driving Out the Money Changers

Charles E. Coughlin

**GOLD — PRIVATE OR PUBLIC !**

This afternoon, my friends, I propose to speak upon a subject that is related to money ; subject, perhaps, that is very important for us to understand if we hope to succeed in deposing this monstrosity, the god of gold.

Come with me then, while first we turn over page by page the story of Jewish history.

Originally, as you know, this great people were a pastoral, an agricultural nation. Abraham's flocks extended over the acres of Asia. Fields were tilled, farmers were happy and the wealth of their country and of their tribes was dependent upon the fecundity of their sheep and the fertility of their ground.

Eventually, these wonderful Jewish people became captives. The Babylonians had come into their midst, burned their homes, destroyed their barns, laid waste their fields and carried them off into bondage !

But as oftentimes happened, God, Who had been so good to Abraham and Isaac and Jacob, had not forsaken His people. He had given them a faith in the world beyond. He had gifted them with an intelligence superior to that of their captors. Thus, the Jews became, in one sense, the rulers of the Babylonians.

Of course you recognize that Jesus Christ, our Redeemer, was a Jew by birth. In His veins there flowed not only the royal blood of King David which he suckled at His mother's virgin breast, but in His heart and human soul the traditions and culture of the Jews flourished and matured.

The apostles whom He chose to carry His doctrines throughout the ancient world were likewise Jews.

If Greek or Roman, Spaniard or Portuguese or German, Frenchman or Englishman, Russian or Pole or Hollander, if any of them heard the echoes of the Sermon on the Mount they likewise heard the story of Jesus Christ and His love and His charity without which no one can claim title to the name of Christian.

They all remembered “*if any man saith he love his God and hateth his neighbor, he is a liar and the truth is not in him.*” Alas ! Many of them forgot to practice this implied precept of charity.

It is a peculiar thing that with the rise of the Christian we behold the ownfall of the Jew. The walls of his Jerusalem were destroyed. His nation was scattered over the face of the earth. Citizenship was denied him. Ignominy was heaped upon him. He became the outcast, the hated among the sons of men who had pledged themselves to the doctrine of love and who had proclaimed that they had remembered that “*if any man saith that he love his God and hateth his neighbor, he is a liar and the truth is not in him.*”

Have you forgotten, my friends, the story of Spain which forbade the Jew from holding property ? Have you forgotten how the Jew was driven from pillar to post in Holland and in Germany, in England and in France, in the Republics of Florence and of Venice ?

Oh, if the Jew would live, he needs must not live off the fat of the land. He dare not own a home. He dare not till the soil. He dare not enter into the natural business of farming because tearfully he remembered how his lands had been stolen by kingly decree—stolen and confiscated ! Thus, the law of self-preservation forced him to live off his fellowman’s purse.

May I recall for you how the Jews had at one time been taken captive by the Egyptians ? Watch them as they mold bricks, as they sweat in the hot sun and were denied an education. Slaves they were !

Did the thought ever strike you that when they found freedom under the leadership of Moses they had enough gold in their possession with which to build a golden calf ? Did the thought ever occur to you : Where did they get that gold ?

Slaves were not paid in gold. They had taken it by right of compensation for the work which they had done.

And thus the Jew learned from the Phoenicians, learned from the Egyptians and learned by bitter, cruel experience from every so-called Christian nation in Europe that had made of him a scape-goat. They learned that gold was the only wealth which they felt was secure in their possession.

Be it said of the Papal States, there was one oasis in European territory where the wandering Jew found sanctuary.

Oh, no wonder Shakespeare put into the mouth of his Shylock :

*“ Signior Antonio, many a time and oft  
In the Rialto you have rated me  
About my moneys and my usances :  
Still have I borne it with a patient shrug ;*

*For sufferance is the badge of all our tribe.  
You call me misbeliever, cut-throat dog,  
And spit upon my Jewish gaberdine,  
And all for use of that which is mine own.  
Well then, it now appears you need my help :  
Go to, then ; you come to me, and you say  
' Shylock, we would have moneys': You say so ;  
You, that did void your rheum upon my beard,  
And foot me as you spurn a stranger cur  
Over your threshold : moneys is your suit.  
What should I say to you ? Should I not say  
' Hath a dog money ? is it possible  
A cur can lend three thousand ducats ? ' or  
Shall I bend low and in a bondsman's key,  
With bated breath and whispering humbleness,  
Say this,—  
'Fair sir, you spit on me on Wednesday last ;  
You spurn'd me such a day ; another time  
You called me dog ; and for these courtesies  
I'll lend you thus much moneys' ? ”*

My friends, that characterization by Shakespeare is the concrete expression of one of the most damnable pages in all Christian history.

I have touched upon these perilous points for a purpose. I have touched upon them simply for the reason to bring to your attention and to recall to my own the fact that our Christian ancestors forced the Jew to hoarding gold, the only element of wealth that hatred permitted to him.

Denied nationality, denied citizenship, scorned and spat upon and kicked from country to country, what stable possession had he except his coins of gold ?

No wonder then that there grew up that spirit of gold trading in the heart of the international Jew, as some have called him ignominiously.

If I cared to recount the story of the modern Jew, I could tell you the story of the Rothschilds at Frankfort. I could tell you the story of the Napoleonic Wars. It is all related in one sense to our present misery.

The Rothschild House had been established not only in Germany. Its offices had been extended to Paris and to London. The Gentiles who had scorned the Jew, the Christians who had belittled him, went to the Rothschilds for gold to carry on their wars.

When this emergency arose, Christian nations learned that the commercial gold of the world had found itself controlled by private individuals.

By private possession, my friends, I am trying to distinguish for you the national possession of gold against the privately controlled possession of gold.

### III

Today, when men are starving, when farms are being confiscated, when factories are idle, and when the world is bent low, strapped to the pillar of hate and lashed with the scourge of greed, we can read the story that this is due not because men have refused to work, not because farms in Kansas, Iowa, Nebraska and the Dakotas have lost their fertility, not because our manufacturers in the cities have decided that they will close their industries and throw upon the street 12-million men, not because the American people have become surfeited with all they desire.

This suffering which I have denounced dozens of times has been a manmade suffering because we permitted private individuals to hoard the gold, the basic money of the nation, upon which the system of capitalism is constructed and upon which American prosperity depends.

My friends, I say these things not with acrimony. I am simply outlining for you a fact of history. I have courage to do it today because I know that this thing to which I am referring is not going to last much longer. Not that I intimate that force shall ever be used. God forbid ! But I do intimate that the intelligence, that the wrath of a world-wide people and that the directorship of our God-given President-elect shall lead us out of this desert ; this godless desert where we have been worshipping the golden calf ; this damnable desert where we have been lost. He will lead us to the promised land !

### IV

I am only building up to the climax of these Rothschilds whom I have mentioned.

This family more than any other devised the plan of constituting gold as wealth, and land and produce, men and labor as its servants. They were forced into this position by the hatred of Christians. It was this family who formulated the theory of modern wealth, the theory that I have read to you time and again. From their London office originated the idea not of gold as a medium of trade but of gold held in private possession independent of the nation ; of gold as a medium of control.

Oh, God forgive us and our ancestors for the breach of charity which we have perpetrated down the ages ! God forbid that clever men shall ever again come into the world to beat down with the whip of reprisal those who have used the thongs of hate. Today we are paying the price for centuries of hatred !

After Rothschild came Gentiles, Christians, who endeavored to emulate him. They, too adopted this same theory.

Need I mention them in lower Manhattan by name ? Need I call your attention to the fact that the gold which tills the soil, the gold that holds the roof over our heads, the gold that is the very life blood of commerce, of industry, of prosperity, has been held captive in the bank of greed, similar to the money which today is held captive in the banks of Michigan ?

V

I am speaking of this thing to bring to your minds one of the most important moral questions of this age.

Radical, some will call it. Others will fling the cheap word of Socialism at it. And others will say, "it can't be done." But call it radical, besmirch it with the cheap term of Socialism if you will. Nevertheless, I am prophesying not because I am looking into the future but rather because I am peering into the past that what I am about to say shall come to pass most certainly.

What is it ?

Well, bear with me a moment. What has all this to do with the question of depression, the question of gold and hoarding and starvation ? Does it intimate that we Christians must continue upon the vicious policy of hatred that formerly was extended to those who bear the same nationality as Christ Jesus ? God forbid !

Have we not come to learn that the Jew has at last a home ; has at last a nationality ? He is just as much an American as anyone of us ; just as much a child of God as the best of you are. This is a democratic country where Jew and Gentile are equal ; a country that can never last except it adopts the policy of Christian charity.

Thus, my friends, the day has come in the cycle of progress when the theory of the European Jew that gold is sacred, gold is wealth, gold is more precious than men and the homes in which they live, that day has come in the course of the development of democracy when gold no longer is wealth and must never again be recognized as a medium of control.



It was hate that gave birth to the idea that gold is wealth. Hate must give way to charity.

It was persecution that drove the Jew into the hoarding of gold. Persecution must surrender to democratic forbearance and citizenship.

I can understand how in the dawnlight of Spanish and Portuguese and English history—I can understand how through the black forests of Germany and through the fields of France, the poor Jew, his home burned down, his crops destroyed and his only possession, the little bag of gold, was forced to become a wanderer. I can see that. But thanks be to God I can see in America where wealth is not identified with gold any more and where the Jew at last rejoices in our common flag, our common nationality.

The thought, then, that I have in mind is this : It means that henceforth the great private banks of America, including the Federal Reserve must relinquish every gold coin which they possess into the hands of the United States Treasury. Every individual must relinquish his commercial gold into the hands of our Government.

I am advocating the national confiscation of all gold.

I am advocating that currency money be given to those dollar for dollar from whom we confiscate the gold.

I am advocating that the weapon of control and the weapon of depression be taken out of the hands of those who manipulate it and control it. Let individuals be satisfied with currency money. Basic money upon which the structure of our commercial prosperity is built must belong to our nation as a whole.

I am advocating that gold hereafter, every coin of it, every ounce of it, every grain of it, shall belong to the Government and to the Government alone.

## VI

I know that some of you are going to say that I borrowed that from some Socialist. But what does the head of the Catholic Church say on this point :

*“ It is rightly contended that certain forms of property must be reserved to the State, since they carry with them an opportunity of domination too great to be left to private individuals without injury to the community at large.”*

That, my friends, is the statement of Pope Pius XI. It is not Socialism. It is merely Christianity. Things that are necessary for the development of a country, and for the

maintenance of a country, those things must belong to the nation alone and must not be permitted to rest in the hands of the Morgans and Kuhn-Loebs and central banks and Rothschilds who have grown fat by the billions at the expense of the millions of oppressed people.

So almost on the eve of the birthday of the Father of our Country who was so opposed to granting the right to national banks to coin their own money ; on the eve of his birthday, to whom we look back with reverence, I would like to take you on the wings of fancy to Fraunce's Tavern in New York. It is the year 1783. The occasion is Washington taking farewell of those soldiers who fought with him ; those officers who suffered and bled with him. There is Washington at the board. Solemnly he arises to bid farewell to his brothers in arms :

*“ With a heart full of love and gratitude I must now take my leave of you. I most devoutly wish that your latter days may be prosperous and happy as your former ones have been glorious and honorable. . . . I shall be obliged to you if each will come and take me by the hand.”*

That is what Washington said. It is a voice from out the past !

My friends, you have heard the echo of his words. Because you are an American child of his there is extended to you at this moment alongside your receiving set the holy hand of one who lived for God and country. His hand clasps your hand. It is ours to rise from gloomy thoughts and darkened nights of suffering to the glorious sunrise of peace, prosperity and restored blessedness. Those things for which Washington fought are still ours. We have not lost them. Perhaps, we have bled for a while but there stands one who fought for liberty, who fought for the common people and who fought against oppression.

So, my friends, just as out of a sealed tomb rose the glorious Christ, out of our present suffering shall rise a more glorious nation. Hold ye fast to the traditions of the past. Let it not be written that we have let perish the pact between the living and the dead. Let it not be said that we practiced hatred instead of charity, or that we shall continue letting those who hold gold also hold the lash of oppression.

Driving Out the Money Changers

Charles E. Coughlin

### **BANKS AND GOLD !**

This afternoon may I continue the discussion regarding the moral-economic problem of money with which is associated the present world-wide distress. Naturally I shall touch upon the Michigan Bank situation. But specifically, I shall address you on the question whether or not our nation and the nations of the world shall continue to permit the international bankers to control the gold of the world.

No financial or economic reform can be sound or remedial unless this problem is solved correctly.

To gain a further understanding of the money problem which up to this date has defied a logical solution, it will be well for us to scan rapidly the pages of the twentieth century history which preceded the Great War.

The student of this history first opens his book to study the facts associated with the Boer War which was fought in the year 1900. Economically speaking, it was by this war that England gained possession of the diamond and gold mines of South Africa.

From that date and traceable to that event our modern economic civilization underwent a significant change. From the year 1900 until this present moment more than half the commercial gold existing in the world was delved from the bowels of the earth.

More of this precious metal was mined during the last thirty-three years than had been brought to light during the thirty-three hundred years preceding them !

Thus, the beginning of this century became identified with England's unquestioned and transcendent control of financial power. She became the undisputed creditor of the world. Civilization became her commercial debtor.

Paralleling this stupendous increase in Great Britain's wealth as measured in money the historian observes Germany's rapid advance in trade and commerce.

Here, then, are the beginnings of a drama. The stage of this world was being set for a mighty, titanic contest.

I hold neither brief for Germany nor dislike for England. Nevertheless, it is apposite to remark that some one with a malignant mind originated the epithet "*war lord*" and persistently applied it to the German Emperor.

As a matter of fact his sword had remained sheathed from the time of his ascension to the outbreak of the Great War.

As a matter of fact they who had coined the word constantly kept their unsheathed in defending the far-flung outposts of their empire.

Trouble was brewing ! German thrift and industry were gradually draining the gold from English vaults. Under the leadership of Kaiser Wilhelm the German Empire began slowly but surely to threaten England's leadership in the commercial world.

Every student of history recognized that war was inevitable. Alliances were established. The drums of the nations were sounding the march of Mars. Armies were training. Battleships were multiplied. Ammunition reserves were piled up. While the facile fingers of propaganda were constantly at work spinning the web of destruction.

At last in the year 1914 the great contest for the commercial supremacy of the civilized world was set into motion. For three years the battles raged across the entire continent of Europe. It became apparent to all that victory was smiling upon the arms of the Fatherland.

Here in America we returned to office a President who had campaigned successfully throughout the nation on the strength of the slogan : "*He kept us out of war !*" Although the voice of the American people had spoken in terms that seemed to be the equivalent of a mandate, yet forgetful of election pledges, unmindful of mandates these same American people permitted themselves to be led by the halter of deceit into the very midst of a conflagration whose lurid scars never can be effaced.

Newspaper after newspaper was purchased by foreign gold to sell the wares of partisanship ; to stir up hatred founded upon lies ; to persuade an easily deceived people to take up arms for the defense of international investments made by American international bankers on foreign soil.

Finally, the last American dough-boy sacrificed his life for an ephemeral dream called democracy.

Then came the Treaty of Versailles. It was signed, sealed and delivered—that peace treaty which produced neither peace nor democracy but from whose adulterous loins was bred the abortion of depression.

Its stipulations were cruel, merciless.

Germany is forbidden the rights of trade and commerce with the rest of the civilized world. Every ounce of her gold which she possesses is confiscated. Nevertheless, a fine of 33-billion gold dollars is imposed upon her, although it is well recognized that there are only \$11-billion of gold held in the treasuries of the nations who had despoiled her !

## II

That, my friends, is the beginning of our present sorrow.

Misery began to be multiplied. The prosperity of a world which had been predicated upon the worship of gold was suddenly turned into poverty and distress despite the blasphemous benedictions which the impotent idol of gold had promised.

Behold the fulfilment of its promises ! Count its blessings !

Today the combined debts of Europe and America exceed \$500-billion. Our own national local and private debts payable in gold approximate \$235-billion.

It is only an idle dreamer who adheres to the opinion that these debts can be or will be paid. The \$11-billion of commercial gold in the world is not even sufficient to pay the interest on these debts for six months.

There is not sufficient currency in America to pay the interest on our local and national debts for even part of a year.

Little wonder that there is scarcely any credit left in this nation ! A persistent policy which unintelligently has destroyed the last shred of confidence, a system of government that has scorned aid and dole for the helpless and bestowed millions and billions of dole funds upon the guilty, industrial bankruptcies, a multiplication of bank failures—this assembly of realities together with the insuperable debts have prostrated the mighty nation of the United States.

We are gravitating into the chaos of national and personal financial ruin. Yesterday we tied our hope to the star of the Reconstruction Finance Corporation. Today we discover that we had been holding fast to the tail of a meteor which is driving with increasing speed into the chasm of despairing chaos.

Reconstruction has devolved into destruction.

## III

Moreover, the faith in our nation's financial institutions is perishing. Only an impractical mind could entertain hope for its revival as long as the fallacies and immoralities associated with both banks and bankers are permitted to survive.

Blush with shame as you read the startling record unfolded but last week ! Mr. Charles E. Mitchell, the trusted and revered chairman of the Board of the National City Bank and its affiliate, the National City Company of New York ; the chairman of the board of one of the world's largest banks has written a crimson page in the history of finance at a most inopportune moment.

Dodging Federal income tax by surreptitiously transferring \$2,800,000.00 of bank stock to his relatives !

Fattening his fortune to the extent of 3,500,000.00 over and above his salary by bonuses acquired from the sale of worthless South American bonds and other activities !

Associated with loaning \$2,400,000.00 of depositors' money to bank officers to cover up their loans following the crash of 1929 while at the same time his bank and its officers sold out mercilessly their customers whose collateral did not cover their margins !

What a shining example of integrity is Mr. Mitchell, the chairman of one of the world's greatest banking institutions !

Turning our attention from bankers to banks, read the record which has been written in Michigan this last few days.

It is a record associated with glaring illegalities. A State Governor exercising authority over national banks when it is almost universally admitted that he had no authority to exercise !

National banks disbursing only 5 per cent of depositors' money when it is seriously questioned whether or not they have not gone beyond their rights ! It is a record of misinformation that is astounding.

Banking officials hiding behind half-truths which they sent to the public press !

Newspapers satisfied to sell this information and daring not to print the truth as they knew it for fear of breaking confidence in secrets which were no secrets at all but which every depositor had a right to know !

In fine it is a record associated with "smart" money running into hiding and of the uninformed depositor holding the bag.

Now that the worst has happened it is apparent that the use of the truth would have been more efficacious. No further damage can be done. What are the facts associated with the failure of at least two large groups of banks in the fourth greatest city of this nation ?

At least two great groups of banks have failed. That is the only useable word with which to describe the situation.

At the beginning of this year the First National Bank had deposits totaling approximately \$423,357,897.44.

By February 11th, these deposits shrunk to approximately \$360-million.

Here was a decrease of approximately \$63,358,000.00 in a few days. Practically 15 per cent of the money, “smart” money and much of it in large quantities knew that there was something rotten in the State of Michigan. Therefore it went into hiding, or else the records are falsified.

In the Guardian Group, a parallel case developed.

At the first of this year the deposits for this bank approximated \$138,385,000.00.

Forty-two days later, this sum decreased to \$104-million—nearly \$34-million being withdrawn.

As in the case of every bank failure, there is always a reason—a very definite and concrete reason.

As in the case of every bank failure, there is also a biblical goat selected by the sinners to bear their iniquities.

Of the goat and his identity silence is preferable.

Of the real reason why nearly \$100-million was so suddenly scared into hiding from these two banks, we need not search to discover it in the ranks of the common people.

Were the small depositors aware of the real reason, bank lines would have been as long as bread lines during these hectic forty-two days.

Turn to another set of figures to discover why the “smart” dollars, as they are called, ran into safety.

Well, on the 1st of January the First National Bank had 108,585,000.00 approximately of cash and Government Bonds.

Forty-two days later this figure had shrunk to \$45-million.

Deposits of \$360-million of that same date were now depending upon \$45-million.

As far as the Guardian Bank is concerned it had \$56,731,000.00 approximately in cash and Government Bonds.

Forty-two days later this amount had melted to nearly \$22-million.

In this case we find deposits of \$104-million depending upon 22-million actual dollars.

Reason and blame !

Shall we in Michigan or you scattered throughout this nation, now grown accustomed to bank failures, rave and rant at local bankers for having created this perilous predicament ?

I appreciate, my friends, that banking business cannot be conducted unless the officers of these organizations invest in mortgages, in reliable real estate, in sound municipal and industrial bonds. I appreciate that if today the only ready valuable assets of these banks of Detroit and similar banks are the cash on hand and the Government Bonds, this sad condition of affairs exists because bankers have been victimized as well as have the rest of us even though they were the most notorious supporters of a treacherous, devastating policy which persisted in breeding idleness, and, therefore, in destroying tax income, mortgages and second class securities and values of every description which are wall paper at this moment.

Both bankers and their depositors are paying the penalty for practicing pagan principles in matters of finance and economics.

Nevertheless, it would be interesting, indeed, to discover who in the first forty-two days of this year in Detroit made the heavy withdrawals from these two institutions and brought them down to their knees.

The day has arrived for constructive truth. The day has arrived when our Federal Government must establish its own banks throughout the nation for the purpose of safeguarding depositors' money just as securely as does the Federal post office protect the citizens' mail.

Why temporize ? Why re-establish banks to duplicate ten years hence what is happening today ?

Why pour our national money down rat-holes through the funnel of the Reconstruction Finance Corporation when it is possible to expend that same money in creating a nationally owned banking system as sound as our army and as honest as our post office ?

A system, it will be, purged of truckling tricksters !



The only system of finance in which we dare place in the future a modicum of confidence.

My friends, I only ask you to cast your eyes upon the record which this nation has written during the past three or four years. Despite its most intemperate optimism, its wide-spread propaganda of fallacy and fancy, its fanatical perseverance, the inevitable is happening under your very eyes.

#### IV

I introduced these remarks, my friends, by recalling to your minds the fact that over half the gold in the commercial world was mined since the year 1900. I associated this thought with the basic cause of the Great War. And finally I emphasized the fact that the so-called depression, with its bank failures, is traceable to the inordinate, impossible debts payable in gold-debts which came into being and were multiplied as a result of the war.

Payable in gold !

What a tragedy is associated with that phrase !

More truthfully one should say : “ Payable in the river of tears which have streamed down the cheeks of countless men and women who have been ruthlessly lashed at the pillar of poverty ! ”

Payable in gold !

Preferably we should say : “ Payable in the millions of farmlands which are confiscated in this nation !

“ Payable in heartaches of those 12-million wanderers who like felons have been chained in the dungeon of idleness.”

No wonder the prophet Isaias exclaimed in holy anger against those who made gold more precious than men.

*“For this,” said he, “I will trouble the heaven : and the earth shall be moved out of her place : for the indignation of the Lord of Hosts, and for the day of His fierce wrath.*

*“A man shall be more precious than gold ; yea a man than the finest of gold.” (Isaias xiii, 13-12).*

Thus spoke this sainted leader as he prophesied the destruction of Babylon of old.

The Babylon which had enslaved the Jewish people !

The pagan Babylon which had set up its god of gold in the desert place for all to worship !

The doomed Babylon which had been weighed in the balance and found wanting !

God knows, my friends, we have had enough of these Babylonian policies. Formerly we were religious enough to print upon our coins "*In God We Trust.*" If we had not been hypocrites we would have erased these words and substituted for them the phrase "*In Gold We Trust.*"

On former occasions logic and science and argument met to discuss temperately this topic.

More eloquent than words are the sorrows of an oppressed people. Long enough we have listened to the vapid mouthings of those who raise aloft the cry of "*Give us the barabbas of gold and crucify the brothers of Christ !*"

Long enough have we quaffed of the vinegar of impious propaganda regarding the false sacredness of commercial contracts specified in gold, when the divine contract made between God and man Who has given him this earth and the fruits thereof to be his sustenance, has been trampled under foot by Babylonian ingenuity.

Long enough we have been the pawns and chattels of the modern pagans who have crucified us upon a cross of gold. Through politeness only have we dignified them with the term of international bankers. In fairness, my friends, I am not referring here to our local bankers.

International bankers and their gold standard !

The gold standard—as if it were more important, more sanctified, more precious than the human standard !

The filthy gold standard which from time immemorial has been the breeder of hate, the fashioner of swords, and the destroyer of mankind.

No wonder that Jesus Christ lashed unmercifully the sanctimonious pharisees who strained at a gnat and swallowed a camel with these stinging words of rebuke : "*Which is more sacred, the gold or the temple*"; the gold or the living temples of the Holy Ghost, Christ's brothers and His sisters ?

Last Sunday afternoon I advocated a reform which is essential for the well being of our economic life ; a reform without which it will be impossible for the vast majority of the citizens both of this country and of the entire world, as far as that is concerned, to free themselves from the cross of gold.

Briefly I am advocating that every ounce and every grain and every coin of gold held by private international bankers shall henceforth belong to the Government and to the Government alone.

I am advocating that these few individuals who hold in abject control the millions of so-called free citizens be stripped summarily of their medium of control.

But, I am advocating likewise that no injustice be perpetrated in accomplishing this act.

Let injustice remain in their hands—justice in ours !

To these international bankers shall be traded the coin of the realm, the currency dollars, which you and I use in our daily commerce and trade.

We take the gold !

The Government already has set the precedent by confiscating the gold in the earth. Every raw ounce that is mined must be turned over to the Federal Treasurer in return for which \$20.67 is returned to the miner. What holds good for the nation in the miner's case should hold good for the nation in the banker's case.

My friends, are you aware that all the currency and debts or credit of our nation are builded upon gold ? Need I instruct you, that they who control the gold, therefore, can likewise control either the expansion or contraction of currency ; either the rise or the fall of the stock market ; either that wheat be \$2.00 a bushel or 20 cents a bushel ; either that a dollar shall contain 100 pennies or 170 pennies ; either that you are able or unable to pay your debts ; either that local banks remain open or are compelled to close ; either that you starve and shiver and fold your little children to empty breasts, or that you can live and smile and partake of the bountiful earth and the fruits thereof which a beneficent God has bestowed upon us ?

Once and for all banish from your minds the erroneous superstition that our Government controls the gold resident in this nation. It does not. The gold upon which our commerce, our industry, our homes, our securities, our food, our peace, our very lives depend is controlled by a handful of grasping, greedy international bankers.

How much gold do the Central Banks in the United States hold or control in their possession ? That is a fair question.

The answer :

According to the latest figures published in December, 1932, the Central Banks of the United States control \$4,038,000,000.00 of gold.

The English Central Banks, according to the figures published by their Government in November, 1932, control \$583, million of gold.

The French Central Banks, according to the official report published December, 1932, control \$3,254,000,000.00 of gold.

So the lurid figures tell the unbelievable story of high finance which has been and is being enacted in every nation of the world where gold controls and where the whip is held in the grasp of those who lash you at the pillar of poverty.

There is scarcely need for my pausing to define for you that money is the medium of trade. Through the agency of money wheat and corn, beef and dairy products are brought from the fields to your tables.

In our complicated social life it was money that quarried the stones, sawed the timber, fabricated the glass, manufactured the hardware and every other material which erected your home and your factory.

Money moved the shuttles of the loom which spun your clothing.

Money printed the books and compounded the drugs which your physician employs to save your life.

Money has become the hand-maid of learning without which neither schools nor churches can function in our complicated civilization.

Money is a universal and a national necessity of far more importance than are our highways, our waterways, our railroads, our public utilities. Money is more essential than all of them taken together.

And what has happened to this money ?

First of all through trickery and subterfuge, as I have pointed out in the previous lectures with facts that cannot be denied, all our currency and all our credit money was built upon the foundation of gold. Silver was outlawed. By acts of Parliament and decrees of Congress, they who selfishly had aimed to gain control of civilization had set a fictitious price upon gold over which they hoped to gain complete control because of its scarcity.

All values were predicated upon it.

All human activities became anchored to it.

Birth and life and death itself became dependent on it.

In their innocence and confidence and childish simplicity our forefathers were unconscious of the scheming and successful efforts of a few international bankers who ultimately did gain control of practically every ounce of commercial gold in this world and, therefore, control of the world itself.

Thus, in their hands they hold our destiny. At their whim and nod the products of our labor rise or fall upon the Babylonian market.

A President can boast that he kept us out of war. A conference of international bankers with the aid of their puppets of propaganda can lead us to the slaughter.

The flow of their gold opens or closes factories, cuts wages, breeds poverty, destroys values and crucifies Christ once more upon the cross between two thieves !

For one hundred and fifty years we have borne the persecution of this damnable control.

How long, O Lord ! How long must it endure ?

## VI

What, then, shall I advocate to this audience ? Is it something revolutionary ?

Call it so if you will. It will be more justified than the revolutionary thoughts that were nursed within the minds of Washington and his compatriots.

I prefer to call it Christianity. I prefer to describe it as the doctrine of "*live and let live.*"

I absolutely prefer to regard men as more precious than the "*finest gold*" as said the prophet Isaias—gold that has been used as the instrument of greed, as the whip of torture in the hands of the Pontius Pilates who persist in perpetuating the passion of Jesus Christ upon His helpless brethren.

What would be your judgment if the army and navy and air force upon which depend our protection from foreign invasion were handed over in their entirety to the control and manipulation of the United States Steel Corporation ?

How loud would be your protest if the United States postoffice department along with those of England, and France and the rest of the world became the private property of an international bureau of advertisers ?

Army, navy, air force and postoffice systems by their very nature are of such public importance and are designed for such public use that it were the suicide of civilization to permit them to become the pawns of private profiteers.

Although you add all their importance together, yet they are of less importance than is this greater public necessity, the gold upon which the commerce of the world is based, the gold upon which the values of our nation have been predicated, the gold without which in our modern civilization we can neither eat nor sleep nor live !

One hundred and fifty years ago when men first began to suffer from this greatest social injustice that was ever inflicted upon an organized society, the extreme Socialist advocated the nationalization of all industry. To this radicalism the Christian Church could never agree because without the right to private ownership the moral law of God eventually would become an idle gesture. But the Christian Church from its earliest days has advocated, if I may quote exactly the words of Plus XI that :

*“ It is rightly contended that certain forms of property must be reserved to the State, since they carry with them an opportunity of domination too great to be left to private individuals without injury to the community at large.”*

Fortified with this single utterance I have dared not only to suggest to you but to implore you to organize legally and peacefully against the Morgans, the Kuhn-Loebs, the Rothschilds, the Dillon-Reeds, the Federal Reserve banksters, the Mitchells and the rest of that undeserving group who without either the blood of patriotism or of Christianity flowing in their veins have shackled the lives of men and of nations with the ponderous links of their golden chain.

We have had enough of their leadership. Too deeply have they pressed down the thorns of servitude upon the fevered brow of a worried world. Too patiently have we writhed upon the cross transfixed by the nails of slavish control.

And now as the clouds of depression gather overhead while in the distance there rumble the thunders of discontent, they who have crucified us walk before their victims to deride them with the challenge, *“If Thou be the Son of God come down from the cross !”*

My friends, the sunset of this gruesome day of challenge is sinking into a grave from which it shall never rise.

But we who suffer—we will come down from the cross, cost what it may ! Soon, soon, shall the dawnlight of a new morning break upon us—a new morning of resurrection, when

we shall rise glorious to triumph with the Prince of Peace. This is the hope of the new day and the “*new deal*.”

There will be ringing in the ears of President Roosevelt and his associates the whining of these high priests of international finance who are opposed to this. They will object by repeating the heresy of the ages “*If thou release this man thou are not Caesar’s friends !*”

As if they cared for Caesar ! They who have prostituted their citizenship, betrayed their leadership and made out of the temple of the Most High God a common market place filled with the dung of animals, crowded with the slaves of gold !

Caesar or no Caesar, we are through with it all !

Friends we will be, but friends of the Christ Who drove from the temple those who made of it a den of thieves.

The trumpets are sounding from India to England !

Trumpets not calling to war, but silver tongued trumpets proclaiming anew the second birth of the Prince of Peace.

Let us trade our gold for our God ! Bloody wars for blessed peace ! Cunning greed for Christian love ! God, peace and love ! These three are one ! One, though they slumber at the breast of the Madonna of Bethlehem ! One, though they sleep on the cross of Calvary !

To commemorate this day on which I dared attack the godless error of gold control in order that the sweet benedictions of peaceful prosperity may descend upon an oppressed world, may it be my privilege to send to each one of you a bronze pocket crucifix, the symbol of suffering, the promise of resurrection and the pledge of prosperity.

It is yours for the asking, be you Catholic or not.

Driving Out the Money Changers

Charles E. Coughlin

### THE NEW DEAL AND THE NEW MEN

Somehow or other, I cannot help but recall at this moment the catastrophe which occurred but a few hours ago on the coast of California. As we listened to the radio announcements, there was a feeling of shock, of irreparable loss.

But, then, we recollected the disaster of the Galveston flood. Thirty-three years ago a mammoth tidal wave lashed by the fury of an immeasurable wind overspread and destroyed the peaceful city which reposed on the shores of the Gulf of Mexico.

Twenty-seven years ago the world was stunned with the news of the San Francisco earthquake and fire. News journals carried the startling story of a calamity which of a sudden destroyed the labor of years.

Office buildings transformed into heaps of debris ! Homes devastated by tongues of flame ! Thoroughfares transformed into impassable shambles ! These were my recollections as I listened to the story of the latest disaster which has descended upon a portion of fair California.

But Galveston has since risen to finer heights of glory.

Like another Lazarus, San Francisco has returned to life more resplendent, more beautiful, more prosperous than ever.

How oftentimes it is true that the tears of today are but the smiles of tomorrow.

Nature never intended men of vision to be pessimists. Boldly written the page of life is her hopeful philosophy of resurrection.

Are not the chilling blasts of winter but the angels of springtime breezes ?

Does not the tiny voice of a sown seed foretell that it shall rise and multiply in days to come ?

If today, my friends, there are hardships, distress and sorrow throughout our nation, we, too, must look forward to the second spring. Although the banking structure of America



lies prostrate, leveled by the tidal waves of greed and the tremors of injustice, it, too, shall rise again more glorious, more stable than ever before.

What though today we, the American people, as did the survivors of the Galveston flood and the San Francisco earthquake—what though today we are standing in the midst of ruins ! Better days are yet to come.

Now is no time for either moans or lamentations. Now is the day for manly action !

My friends, our real wealth is undisturbed. As fertile as ever are the fields of our west. As robust as of yesterday are the laborers in our cities. Toil and soil, the fundamental elements of all material wealth, have suffered throughout their winter of discontent. But the sunshine of spring and the philosophy of resurrection are conspiring to bestir every American, despite his creed or his political allegiance, to the upbuilding of a better structure within whose walls the many shall not exist for the few—a structure whose twin towers of charity and justice shall not be builded upon the sandy foundations either of greed or of exploitation.

America, we say to you : *“Thy winter has passed, and the hope that lived through it has blossomed at last !”*

## II

A “*new deal*” is here. The old Constitution remains. The old principles endure. But new men, enlightened men, revivify those principles ; courageous men interpret them anew according to the gospel of the risen Christ !

Criticize the Constitution of the United States of America if you will. But be honest enough to face the fact that if it has seemingly failed, it was because it had been perverted and misinterpreted in too many instances for the protection of financial pirates and consecrated Judases.

It was dedicated by the fathers to the establishment of justice, to the insurance of domestic tranquillity. Of late there has been little justice and less tranquillity. The general welfare was well nigh forgotten amidst the din of battle where financial giants ruthlessly struggled to legalize their plunder at the expense of the common man.

Little by little we witnessed the despots of economic slavery assume the reigns of a similar power which a Lincoln had snatched from the bloody hands of the tyrants who once waxed fat in the yesteryear of physical slavery.

Little by little men forgot the teachings of the King of kings as they substituted for the sanctity of human rights their false creed of financial rights.

No wonder that step by step and law by law both Christ's Gospel and the Constitution of our nation were not only disregarded but were scorned as scraps of paper.

No wonder we find our best laws distorted as their execution fell under the power and control of wicked, venal men.

### III

For example, behold the collapse of our financial institutions despite the splendid legislation of the *Federal Reserve Bank Act*.

Why was the *Federal Reserve Bank Act* of the year 1913 placed upon ours statute books ?

In brief the answer was to protect the financial rights of every American citizen. Speaking in the language of the common man, this law was enacted with the hope that here was an instrument of legislation to prevent both the immoral contraction and inflation of money at the whim of godless manipulators. It proposed to stabilize values ; to give an honestly controlled and adequate currency. It was inscribed upon our statute books to prevent bank failures, to eliminate money famines, to preclude such a condition which overwhelmed us on the very day previous to the inauguration of Franklin D. Roosevelt as President of the United States.

I know that most of you in this audience are under the impression that this piece of legislation had been entrusted for its functioning to international bankers. The events of the past few years seemed to indicate this very thing.

But did you have even a hazy notion that the governors of the Federal Reserve Bank were the official appointees of the Government of the United States ?

Being assured that such was the case, what are your thoughts as you stand surveying the ruins of the structure which by oath these men were pledged to protect ?

If you point the finger of blame at the international financiers and at the board of governors of the Federal Reserve Bank who either through crass ignorance or through questionable conspiracy have invited the earthquake which has leveled to the ground both our confidence and our financial house of cards ; if you point the finger of blame at these malefactors, be honest enough to glance over their shoulders where stand those more blameworthy as history shall certainly prove.

Business men, professional men, laborers and farmers, of course, have lost faith in the governors and in the executives of the Federal Reserve Board who evidently represented the philosophy of greed and of gain, the twin virtues of a regime that has been repudiated.

Therefore, it is difficult for us to stomach the presence of the Eugene V. Meyers and the Gilbert Parkers of Morgan and Company, the Doctor Burgesses along with their puppets who are still beating a path into the Treasury Department as they try to resow the seeds of their fallacies and to perpetuate a discredited doctrine of money control.

These men will find a place in the “*new deal*.” But their place is in the discard.

I make mention of this only to preface an explanation of the *Federal Reserve Bank Act* and to remove from the minds of many in this audience any unfounded fear as to the future. To inform you accurately regarding a portion of this law, may I quote for you section 10 of the *Federal Reserve Act of 1913* which reads as follows :

*“A Federal Reserve Board is hereby created which shall consist of eight members, including the Secretary of the Treasury and the Comptroller of the Currency, who shall be members ex officio and six members appointed by the President of the United States by and with the advice and consent of the Senate.”*

In President Roosevelt’s “Banking Relief Bill” there is contained in the third section an amendment to the *Federal Reserve Act* which reads as follows :

*“ Section 11 of the Federal Reserve Act is amended by adding at the end thereof the following new sub-section : (n) Whenever in the judgment of the Federal Reserve Board such action is necessary to protect the gold reserves of the Federal Reserve System, the Federal Reserve Board in its discretion and upon the affirmative vote of five of its members, may require any or all member banks to pay and deliver to the Federal Reserve Bank any or all gold coin, gold bullion and gold certificates owned by such member bank or banks.”*

Now, my friends, place side by side this original provision of the *Federal Reserve Act* and this amendment.

Consider the power of the President to appoint, and consider the import and meaning of the amendment.

Is it not obvious that although there are only eight members of the Federal Reserve Board two of whom must be the Secretary of the Treasury and the Comptroller of the Currency, the President also has the power to appoint six other members of his own choosing ?

This gives us a total of eight members of the Federal Reserve Board who are in harmony with the President’s views and not necessarily with the views of the international

bankers. Eight members who can either be appointed or dismissed on the decision of President Roosevelt with the consent of the Senate.

Eight members who, in one sense, are his spokesmen.

Eight members who are not only directly responsible to him but whose actions he himself is responsible for to the American people.

If, in former times, since 1913 these eight appointees to the Federal Reserve Board so governed the finances of our nation that the structure of their Mellonism, their Meyerism and their Morganism came tumbling down upon the heads of the world's wealthiest nation, the responsibility for that collapse must be shared by those who appointed such Secretaries of the Treasury, such Comptrollers of the Currency, such members of the Board whose importance so swelled that they dictated to the President of the United States and to Congress rather than did the President and Congress dictate to them.

I am citing these facts, my friends, in view of the pernicious rumors which already are being circulated that the "*new deal*" means nothing.

That once more our finances are handed over to the banksters and to the gangsters.

That we can expect nothing except a repetition of the last thirteen or twenty years.

These rumors would have been well founded were there a weakling in the White House who had not the courage to dismiss from public office men who are not in accord with his views and the people's welfare.

The time for sparing such individuals has long since ceased. The American public will be glad when these and their fellow malefactors shall be examined before the bar of justice.

I have recited for you, my friends, this portion of the *Federal Reserve Act* to prove to you that what we need in the "*new deal*" is a group of new men.

Formerly men were appointed as governors of the Federal Reserve Board who, as events have indisputably proven, have not been for the welfare of the American people.

They were men who were consistently wrong, consistently unmoral and consistently destructive in their financial policies.

Like serpents they squirmed from the swamps of international greed to entwine themselves around the body of the American Government. And in the "*new deal*" like serpents will they be treated.

A "*new deal*" means new men. Men with a new philosophy the rudiments of which are unknown to the die-hards, the wreckers, and the Benedict Arnolds of American finance.

In the future, thanks be to God, we Americans can expect appointees to the Federal Reserve Board who are not dictated to by the barons of Wall Street but rather who act in accord with the President of the United States who has appointed them to their office and, therefore, who is responsible for them.

#### IV

Pausing for a moment to consider the amendment to the *Federal Reserve Bank Act* as written by President Roosevelt, is it not apparent in framing it, he has thereby written a new law which takes our basic money, or gold, out of control of private individuals and private bankers ?

The new law certifies to every American citizen that henceforth the President of the United States together with the Senate and their appointees control every ounce and every grain of commercial gold resident within this nation.

Whether you know it or not you have lived to see the day marked upon the calendar of time when financial slavery has come to an end. No longer shall it be said to our disgrace that we have permitted the basic common wealth of our country, its gold, to be controlled by the godless hands of a few speculators.

No longer shall it be possible under this new regime and this new law for the value of your farms to melt over night because a group of international Communists have decreed to steal out of our country the gold upon which our wealth is predicated.

That day has passed forever !

Hoarding of gold in the hands of a few has taken its place with the holding of human lives in the hands of slave owners.

The execution of the law is henceforth in the power of the president and his eight appointees, the governors of the Federal Reserve Bank.

Both houses of Congress in passing this amendment deserve the undying gratitude of the American people.

This Congress has done more for humanity and for the American people in the first four hours of its existence than did its predecessor in the last four years.

Lincoln and one Congress are revered for having loosed the fetters of physical slavery.

Roosevelt and another Congress shall be immortalized for having broken the bonds of financial slavery.

My friends, does this not build up a new hope in your hearts a new confidence in our Government, a new ambition to work for the common good ?

While we hoped for this day and prayed for its dawn, it was almost beyond expectations !

The new law is the harbinger of prosperity, the first messenger of a new democracy !

Henceforth, in matters relative to money the Government of the United States controls every ounce and every grain of commercial gold resident in this nation.

Hitherto, a small band of international bankers into whose hands had fallen the control of the world's commercial gold terrorized nations, bred wars, produced famines of money, confiscated homes, devastated farmlands, emptied factories.

Thanks be to God this weapon of destruction is hereby taken from their dirty hands.

V

Momentous events have been happening in the banking world itself. Prompted, perhaps, by a guilty conscience, perhaps by a spirit of reformation, the world's largest bank, the Chase National of New York City, removes itself from its security affiliates.

The ever interesting Will Rogers calls the Security Company the Bank's "*roulette wheel*" and follows with the statement :

*"Imagine a bank just having to live on interest alone. Removing their security or holding companies is like taking the loaded dice away from the crap shooter."*

Away, then, with the crap shooter ! Now is the time for honest men ; for financial reformation ; for industrial rehabilitation.

Now is the period for real reconstruction.

My friends, it required many years which were characterized by dark deceptions, by intrigue and by greed before our financial institutions failed us. Let us, therefore, be sensible and not expect their reconstruction to be accomplished in a day.

Need I tell you that Rome was not built in a day ?

Need I remind you that San Francisco and Galveston did not totally rise from their ruins only after a period of many months ?

The “*new deal*,” therefore, must not be associated with an expectant miracle.

The element of time must play its part. The virtue of patience must be cultivated both by you and by me.

## VI

But I dare look into the future.

There are approximately \$20-billion of tax-exempt bonds issued by our Federal Government. They are bonds held by private individuals and by banking corporations upon which no taxation is paid.

May I ask you what is the difference between a piece of gilt-edged paper passed out to a bondholder and a piece of green paper such as the five dollar bill in your pocketbook ?

The former is simply a bill of a large denomination and dimensions upon which the Government must pay interest to its holder.

The latter is a bill of smaller denomination and dimensions bearing no interest.

In common they are backed by the stability of the United States of America. In common they are backed by the integrity of the farmer and the laborer and the industrialist of our country.

Now, approximately \$8-billion of these bonds are due sometime this year.

This means that our Federal Government must collect from you, the people, approximately \$300-million in taxation money to pay the interest on these bonds even though they are refinanced and re-issued under some other title.

But as I look into the future it becomes more and more evident that the “*new deal*” means that these bonds will not be refinanced. In their stead good, sound, honest, American currency most likely shall pay them off once and for all.

This does not signify that our Government is abandoning sound money. On the contrary it is a courageous step forward in restoring the sound dollar. Nor does this intimate that

our Government is about to create inflationary or fiat currency money. It simply indicates that we are about to rid ourselves of the dishonest dollar which today, according to accurate figures contains 170 pennies.

Sound money for the sound minded American is identified and always will be identified with 100 pennies in a dollar. This can only be obtained by increasing the volume of our currency and ridding ourselves of at least a portion of our abnormal debts.

Or again as we look over the eastern sky where the sunrise of tomorrow is already casting its first rays of hope upon a distressed world it is not beyond the bounds of probability that the remainder of these tax-exempt bonds totaling almost \$12-billion shall henceforth be taxed.

No longer shall men be allowed to profiteer upon patriotism.

No longer shall men be permitted to wax wealthy upon the common debts of a burdened nation.

Visualize what this will mean !

Billions of dollars which today are invested in the unproductive debts of our country shall be forced to seek investment not in the misery of our people but rather in the stocks and bonds of honest industry ; in the commodities of our fields ; in land itself.

Here is executed a frontal attack on the problem of unemployment !

Here is the logical method by which the parasites of the present economic order shall be transformed into productive agents of human society !

Here is a death blow to usury !

Here is the rebirth of a new prosperity !

Here is the end-all and the be-all of the concentration of wealth in the hands of a few !

Here finally is the solution for balancing the budget !

Beginning almost one hundred and fifty years ago and increasing with rapidity, especially during the past twenty years, the false notion had arisen in this nation that the most profitable way to make money was by loaning money on unproductive debts.

The old philosophy that the industrialist with his costly factories, the farmer with his far-flung acres, the professional man with his years of learning and the laborer with his sturdy toil—the old philosophy that these were the channels where wealth must flow ; that these were the sources from which wealth must spring had been side-tracked and



eliminated by the heretics of civilization who sat in the pagan temples of Wall Street mumbling their meaningless mysticism of money.

They produced little. They controlled all. From their unholy sanctuary they reached forth until they gained control of the steel industry, of the railroads, of the automobile industry, of the textile industry, of the canning industry, of the public utilities, of homes and farms upon which inordinate taxes had been super-imposed. Finally they succeeded in gaining control of the Government itself which became their craven servant.

Like leeches they lived upon both the profits and the debts of the nation, governing it, directing it, mismanaging it, and mangling it.

At one time we find them raising the prices of cotton and wheat and the necessities of life.

At another we behold them slashing wages and reducing values of heavily mortgaged real estate.

Over all they ruled while hiding behind a subsidized press which dared not question or contradict them for fear of being penalized in the advertising columns.

Bankers they were not in the strict sense of the word. Too often they were buccaneer lawyers whose only claim for leadership rested upon the agility of their minds to discover both loopholes within the law and moral weaknesses within the souls of the Punch and Judies whom they placed in the seats of the mighty at Washington to do their bidding.

Little wonder, then, that the day has arrived when the money changers shall be driven from the temple.

A "*new deal*," a new law and a new man coupled with a new patriotism has risen up against those who have made of our beautiful nation a den of thieves.

A few years ago were one to speak in such terms as these he were branded as a Socialist, as a radical. But times have changed.

In harmony with these thoughts are the majority of men and women in this nation.

At last the great industrialists have awakened to the fact that this concentration of wealth in the vaults of Wall Street must cease. People cannot buy the products of factory or of mill unless the people have a share of the money wherewith to do the buying.

Once more, then, I implore a continuation of patience from a patient people. It is not difficult to picture how week by week and month by month factories will be reopened, the wheels of industry will begin to sing the new song of prosperity ; the army of the unemployed shall soon become the whistling army of happy workers.

My friends, I repeat : expect no miracle. Time must take its course. Soon shall the little children learn to know that their determined fathers and mothers, under the leadership of a Government which dare not fail them and which will not fail them, has like a new Moses pioneered the way from the calf of gold in the desert of the wilderness to the mountain tops where in the distance the land of promise and prosperity stands with open arms to receive them.

The hopes of today—may they become the realities of tomorrow !

## VIII

My friends, democracy has not failed in this crisis. It has simply rallied around a leader upon whom it has bestowed its loyalty, its confidence and the power to act.

He is a leader who is surrounded by able, honest, unpurchasable people. How inspiring it was last week to behold the courage of our President and the beautiful simplicity of his help-mate.

How stimulating it was to find Vice-president Garner and his wife working at their desks through long, tedious hours as if they were the humblest clerks in Washington.

How impressive the dynamic activity of James Farley !

How inspiring to sense the atmosphere of humility, of determination and of sterling honesty which was manifest in every member of the Government from the head of the Cabinet down to the lowliest officer !

The fashion and style of Washington have changed.

To serve and not to seek, to lead and not to follow, to do and not to hesitate—may God keep those virtues flourishing during both the days of transition and during the future days of reconstruction.

A “*new deal*” is identified with new men.

Tomorrow and henceforth you can look forward to strict banking supervision as never existed in this country before—so strict that henceforth you can know that your deposits are guaranteed by the honesty of a Government.

Immediately the sound banks will be opened. Within a short while those other financial institutions which are not totally insolvent will likewise be re-opened but under the supervision and control of a conservator. If you look in a *“Century Dictionary”* you will find a *“conservator”* defined as *“a person appointed to superintend idiots, lunatics, etc., and manage their property and preserve it from waste.”*

According to *“Black’s Legal Dictionary,”* *“conservator”* is defined as *“a guardian, a protector, a preserver for one incapable of managing his own affairs.”*

St. Paul has something very apposite to say on this point. In I. Thessalonians, iv; 6, he condemns those persons who overreach and circumvent their brothers in business.

The word *“circumventor”* is defined in our dictionary as *“a man who through artfulness, cunning or deceit takes advantage of his fellowman.”* He is the professional insider.

It is high time that this old word be resurrected for the purpose of placing over certain bankers a guardian whom they sorely need.

Yesterday according to the philosophy then extant the idiot was the investing public who really had no right to his money.

Today the tables have turned and the idiot, perhaps, shall be that type of banker who wasted through gambling and speculation the funds entrusted to him.

My friends, it would be almost criminal on my part or on the part of any other person in public life to raise up in your heart hopes founded on false foundations.

I have already told you that most certainly sound banks will be re-opened. I have indicated to you that banks which in the normal future can be made solvent—these, too, will re-open.

While speaking on this topic I cannot help but reflect on what occurred here in Detroit and, perhaps, elsewhere in many other communities. At least two of our great banking institutions in this municipality had become fearfully weakened in their assets due to the fact that the money which they had loaned on mortgages, which they had invested in stocks and bonds and other securities have scant hope of being immediately returned dollar for dollar.

It will require the healing influence of time before these bonds and mortgages and securities will be honestly re-valuated. Our Government cannot bring about this condition over night. However, let me say a word on the events which preceded the bank holiday in Michigan.

Little by little information regarding the present instability of these two banking institutions leaked out amongst the public of our City.

Little by little the small depositors who were ignorant of the laws of banking and of the laws of finance and yet who suspected that all was not well, began to withdraw their money.

To these people scarcely any blame is attached.

The foundation stone, as it were, of our local banking stability was blasted. No wonder the towers of the entire structure came tumbling down upon the innocent heads of the trusting depositors who either had no inside information or who realized that here was a case where we must either hang together, or, perhaps, hang separately, thereby keeping their money intact in the bank.

Justice shall not be fulfilled in its entirety in the case of such circumventors unless this "smart information," this cunning money, shall be replaced in the vaults of the bank.

Would these gentlemen, or lily-livered insiders, be willing to have us pronounce their names in public ?

My friends, be it said of the present administration of the United States of America that during this past week legislative measures already have been adopted which henceforth shall prevent the repetition of a similar catastrophe when circumventing men shall be able to wreck our banking institutions.

At least from the errors of the past we have learned how to obviate their recurrence in the future.

In passing may I invite you to listen to the first nation-wide radio pronouncement of our esteemed and courageous leader, President Roosevelt, who tonight at ten o'clock Eastern Standard Time will address his remarks to the American public and, no doubt, will touch somewhat upon these thoughts that I have just expressed.

## IX

In conclusion, may I state that we must look forward to new men among the citizens as well as among our leaders.

Now is the time to put off the old leaven, the old habits, the carousing, the false pride, the intemperance and the carelessness for virtue, which were the revered vices of yesterday.

At last, my friends, we have found leadership. Now we are seeking followership.

Oh Washington ! Oh Jefferson ! Oh Lincoln ! How have we failed to follow you in your leadership so strong, so true, so dedicated to political, to personal liberty !

Oh fathers ! Oh mothers, of this generation how have we failed to follow you in those examples so dearly dedicated to generosity, to self-effacement and to humility !

Oh Christ, divine Teacher of the divine plan, how have we failed to follow your lessons of justice, of charity, of truth—willing indeed to follow up the mountain if the loaves and the fishes were to be again multiplied—unwilling to follow into the Garden of Gethsemane to spend one hour with Thee !

Oh Christ ! Today we implore Thee by Thy poverty of Bethlehem, by Thy flight into Egypt—we beseech Thee by the merits of Thy sacred passion—the whip, the thorn, the heavy cross, the piercing nail, the cruel spear which opened wide Thy Sacred Heart—to grant us the grace that we may take up Thy cross and follow Thee ! Follow Thee along the pathways of honesty ; follow Thee, if necessary, along the tortuous road to Calvary ! There from Thy Sacred Heart may Thy precious blood continue to flow forth as from a fountain of new life, to bless, to cleanse, to strengthen and preserve everyone of us.

*“With malice toward none and charity towards all”*—may we cease even righteous anger and say for those whom we judge to be responsible for our present misery, *“Father, forgive them, for they know not what they do.”*

Driving Out the Money Changers

Charles E. Coughlin

## TO THE EX-SERVICE MAN

### I

Last week I spoke to you on the subject of the “*New Deal and the New Men.*”

I was reasonably enthusiastic. Enthusiastic because I believe in the honesty, in the loyalty and the courage of President Roosevelt to carry on. Enthusiastic, because I believe in the fine, unprecedented confidence which is evident throughout the rank and file of American citizens and which will continue to be evident as long as the leadership which we have so far enjoyed will remain steadfast to its declarations and promises.

Frankly and without equivocation I plan to address this afternoon’s remarks to the ex-soldier, to the retired soldier. I shall do this because, partly through misinformation, partly through misunderstanding, there has appeared a rift in the ranks of those who above all others should be foremost in their fearlessness and in their determination.

Fearlessness to follow through !

Determination to see that the “*new deal*” will be accomplished, cost what it may !

### II

Veterans, I feel that in one sense I have a right to speak to you in your own language ; to speak to you right from the shoulder.

For seven years I have stood back of you, defending you when you have had nothing but slander cast upon you ; and contributing from my personal money until I was forced to borrow from friends when your buddies were hungry, naked and treated like hoodlums as they congregated on the mud flats of Anacostia begging for their bonus or a job.

These are delicate memories to recall. But if in the past I have stood by you when the radical and the communist dived for your leadership ; when a heartless government fed you with fire and greeted you with sabre, in the future, I pledge my word to you, I shall not change.

### III

But, I am inquisitive !

What has caused commotion to arise in your ranks ?

Why the hundreds of telegrams which you have sent to your Congressmen asking them to oppose the passage of the Economy Bill ?

Surely, it is not because you and I and every sane American are opposed to a “*new deal* !”

Surely, it is not because we refuse to stand foursquare back of Franklin Delano Roosevelt in his attempt to purge the government of the leeches, the racketeers, the human boll-weevils who have been instrumental in pyramiding our taxes until they almost have become unbearable !

Both you and I know that if this taxation orgy continues much longer, those who own homes or farms will soon be singing : “*It’s a Long Long way to Prosperity.*”

Those who never owned homes, never had a better home than a rented flat, had better say, “farewell” to hope, to security and to contentment. Gentlemen, I think that I sense the source of your restlessness.

You have been so preyed upon and played upon by vote seekers that you are wondering whether or not you have become political footballs !

You have been so maltreated, despised, condemned, derided and almost spat upon, that your confidence in good government is measured both by the false promises and by the lash of criticism which characterized the past twenty years.

No wonder that you are agitated !

No wonder that you have been taught by bitter experience to expect a stone when you cry for bread ; to await the bitter cup of vinegar when you plead for a drink of water.

Boys, bear with me ! I am not blind to the past any more than are you. God knows there rankles in my mind the cruel deceit which put guns in your hands and the hate in your hearts.

Every school child knows, at least in part, the Gethsemane through which you lived in the mudholes of France.

Filth, vermin, sleepless night and hellish days !

Nights when the silver moon was outshone by the crimson burst of flares ! Days of slaughter, of blood, of death !

Days when you wondered if Christ had forgotten you !

Forgive me for mentioning these horrid things. I know they make you live over again those hectic times.

They recall the hiss of the bullet, the crash of the shell, the smell of the corpse, the death of ideals which your old mother taught you as a lad.

No one realizes what you have suffered except yourselves.

Nor am I blind to the present—to those pallid faces, to the sightless eyes, to the broken bodies which languish in the hospital wards of America. Listen ! Listen ! can't you hear the thump, thump, thump, of your legless buddy's clumsy crutch ?

Can't you see the dangling sleeve which swings in the breeze as Joe walks down the street ?

Can't you hear the racking cough which tells that Tom has only one more autumn to see the flowers fade, the leaves fall, and then his soul, like the birds, will wing its way to the west ?

Listen and think for a moment !

Think of the crosses row upon row ! The cross—the flag of the Prince of Peace—standing sentinel—like over the victim of the prince of darkness ! Think of the boys and girls whose dads are over there !

Of the widows, of the old mothers whose sons have gone and with them their only support !

Boys, I have been thinking of these things. I have been thinking of you. Together we have been reading the Economy Bill. Together we have been tempted to scream aloud in the face of it when we did not understand it and say : “Is this the reward of it all ?”



“Is this the thanks, the gratitude of a nation ?”

#### IV

But pause a moment ! Just a moment ! Let us think again !

If you and I are going to think, let us think not with hysteria, not with crookedness, but with straightforward logic.

First of all, if this Economy Bill was passed, are you wondering why the ex-soldiers were made the goat of it all ? For that is what some people are telling you.

Well, if they tell you that, it is a damnable lie. It is not so.

Oh, I have listened to crack-brained publicity seekers tell us that a bankrupt government is about to save itself by cutting the salaries of scrub women, by chopping off the livelihood of janitors, of postmen, of menial servants, and especially by denying a just and righteous remuneration to the deserving ex-soldier or ex-sailor. I have listened to that tommy-rot and I am just about surfeited with it.

The truth of it is, our government dare not do such a thing and will not perpetrate such an action.

Did you ever hear of racketeers ? They are everywhere in life. We have them in church. They are among the Masons, among the Knights of Columbus.

You have them in the government. Washington is thick with them.

You have them in the American Legion, in the Veterans of Foreign Wars and every other military organization.

I know the racketeer. I have been victimized by him.

He goes around ringing door bells. With a sanctimonious look upon his face he tells the innocent housewife that Father Coughlin sent him to sell a book or to beg a dollar.

Anything to chisel an unjust stipend from an unsuspecting person !

Must the entire church be condemned for exposing such a dishonest scoundrel ? Or would you argue with me and say such rascals should not be exposed ?

There are bogus Masons and bogus Knights of Columbus who bring undeserved dishonor upon their organizations.

But, do you condemn either organization for letting the world know who the bloodsuckers are ?

What is your reaction to a government which prints tons and tons of pamphlets on “How Bullfrogs Make Love,” “How To Dress For a Sun Bath,” “Canal Boat Children” and “How to Make a Cat Trap ?”

Is that not a political racket as was the army of professional snoopers who too often would squeal for a pint and be dumb for a dollar ?

Honestly, do you want the government to perpetuate such rackets as these ?

How about the racketeers in the American Legion or in the Veterans of Foreign Wars ?

Oh, I know that you soldier boys have borne undeserved criticism because of them—and there are plenty of them.

Nearly one billion dollars a year expended in pensions, in hospitalization, in bonus money !

And how much of it—your money and my money—has been handed out to patriotic panhandlers, whose only claim for a pension was a soldier’s suit that never left American soil, a doctor’s service stripe that was glued to Camp Custer, or a broken rib of the 1925 vintage ?

I have little time to multiply examples. But I do not fear to lay down the principle of *“Millions for the deserving but not a penny for the racketeer.”*

Soldier boys and sailors, what kind of a President of the United States do you think we have ?

Heartless, cruel, unsympathetic ? Is it his ambition to succeed in resorting prosperity by starving widows, by turning his back upon old mothers, by driving out maimed soldiers from hospital wards instead of vile money changers from the temple ?

I know that you think differently. Franklin Roosevelt has a mother whose hair has long since been silvered in the winter of time. He knows what other mothers think because he loves his own.

Franklin Roosevelt has a body that has suffered pretty much. He is not going to take it out of the maimed and crippled because he sounded the depths of that kind of suffering, and sounded it with a smile on his lips.

He has a heart and a soul that puts human rights above financial rights !

And above all, he has a conscience that will not permit him or his Government to squander the hard earned dollars of honest men upon the undeserving, the racketeer.

V

Two years ago, one year ago I was not silent in championing the immediate payment of the so-called Soldiers' Bonus.

I took that stand not for the purpose of being antagonistic to the Government's policy ; nor to gain the acclaim of the American Legion.

I advocated this immediate payment to put into circulation approximately \$2½-billion of currency money and, if possible, to bring us nearer to the point where gold would be revaluated ; where debts would be harnessed ; where the end of the depression would be reached.

Certainly, I always had sympathy for the ex-service man. This was especially so when doles for bankrupt banks and railroads were handed out by the billions of dollars ; when hardly one constructive thing was being done for the unemployed, for the jobless veteran.

You were patient fellows, sober men, all through this terrible campaign against poverty. You have written a page in the record of time that shall never grow dim when men in the future speak of level-headedness.

If you petitioned for a bonus, you qualified your request by coupling with it the substitute of a job. "*The bonus or a job*"! That was your slogan.

Well, since that day, times have changed.

Do you want me to paint the picture of it all over again for you ?

One hundred and eighty thousand farms are confiscated ! Two hundred and thirty-five billion dollars of public and private debts which cannot be paid in full !

Hunger in the midst of plenty !

Nakedness with cotton at 5 cents a pound ! Fourteen million men out of work !

Gentlemen, your ranks have been augmented. Fellow sufferers have joined you until you have become outnumbered.

A new condition has arisen when a new leader has considered our nation to be in the equivalent of a state of war.

But it is a war to the death !

A war not against a foreign foe.

A war not waged with bayonet and bullet. But a war to be fought here in America.

Now is no time to seek a bonus. Now is the time to put on the armor of courage ; to take into your hands the weapon of determination.

Boys, the battle is on !

Three years of needless suffering ! Three years of sharp questioning ! Three years like the three hours of agony endured by Christ on the cross have conspired to regiment the best elements of America into a solid army.

We are determined once and for all to attack and overpower the enemy of financial slavery ; to oppose and to defeat those who still support the ancient heresy of the concentration of wealth in the hands of a few, the principles that cunning bankers must control labor, industry and agriculture. It is about time that industry can take care of its own business, as can agriculture and as can labor.

In this venture can we rely on you, on every sane American to take his place in the ranks of justice ?

The real fight is but beginning. The real leader is in command.

Do you not see that the old economic foundations of our life upon which our palaces, our homes and our hovels were built, is cracking visibly beneath our feet ? Look around you !

Long enough have we stared at those cracks trying to patch them up again, only to see them widen and widen.

Long enough have we watched the happenings in other nations.

Europe and South America are crowded with the refugees from revolution. The Hapsburgs of Austria are scattered and with them departed a thousand years of tradition.

The Romanovs of Russia went down in the darkness of a new reign of terror.

The Hohenzollerns of Germany are no longer in power !

The curtain of time, of progress, of liberty has been rung down upon the old scenes of life's drama.

This is a new play, a new war in which the heroes and captains of yesteryear have no part to play !

Fellow citizens, need I parallel with the European names of Hapsburg, of Romanov, of Hohenzollern their American counterparts, the international money changers ?

Need I outline the strategy which you and I must employ under our leader ?

There is the citadel of debt which we must overpower.

Attack it, if you will by economy on the left flank and by the nationalizing and revaluation of gold on the right.

There is the long line of financial entrenchment which next we must capture.

Force its defenders to submit to the recall of unproductive, interest bearing bonds. Then compel them to share with the nation at large their sole right to conduct privately controlled banks.

There is the campaign that is marked out for us ! Its battles will be long and arduous. And perhaps the wounds which you will receive will be numerous. Oh, but it is worthwhile !

Perhaps we will be able to accomplish all this under the banner of the old-time democracy. And on the other hand, perhaps we will be glad to continue for an indefinite period under the new democracy of the Franklin D. Roosevelt type.

At any rate, you and I are both agreed that the height of yesterday's democracy is the depth of today's misery.

Democracy, if it will endure, must be purged. Never again can we elect spoilers and profiteers under the name of a Harding. Never again can a wave of puerile emotion, democratic emotion, if you will, give us prohibition under the guise of law and order ; prohibition, the adulterous mother of ten thousand acts of lawlessness and disorder.

Yesterday's democracy gave us the financial jazz of Wall Street and the rag-time philosophy that we could sell foreign nations without buying from them.

Its hero was the bootlegger, and its master, the racketeer !

Its high priests were the dishonest press. Its god was the idol of gold. And its victims were the voters — the farmers, the laborer, the soldier, the industrialist, the professional man, the army of the exploited and the regiment of the jobless !

Soldier Boys, you have asked for either a bonus or a job.

I know what you mean. I speak your language. You want to exercise your right to work. Isn't that it ? It is your right. No government may long continue to exist which does not grant it.

You want a job which pays an honest wage ! A job which enables you to own your own home ; to protect and educate your own boys and girls !

I have confidence that little by little such jobs will be made available. I am not anticipating a miracle but I am anticipating a speed which this oldtime democracy never dreamed possible.

## VII

But there is another job ! A bigger job !

Before I mention it I am going to ask you a question. Do you know what patriotism is ?

Do you remember how in your boyhood days you learned to love the stream which flowed by your farm ? Every hillside was your playmate ; every tree and rosebush, your companion.

There were schoolmates and sweethearts. Then came the great city.

Then came love, a modest home, and baby fingers to play among your manly locks.

As the little home grew dearer and dearer in your heart, you really began to live.

Work became a pleasure. You were proud to bring your friends around as they were proud to have you call at their homes.

What is patriotism ?

Well, add to the love you have for your dad and mother, the joys of your boyhood. Mingle with them ten thousand baby kisses and the devotion of your wife, and you have its source, its fountainhead.

It is then that your country begins to mean something to you. Do not its laws protect this home that you love ?

Its institutions—do they not mean something to you ?

Schools for your education, courts for your defense, markets for your purchases, factories for your labor, churches for your spiritual care ? All for your children—for your boys and your girls.

Only these institutions, according to your way of thinking, must be better, if possible.

Fellow citizens, if patriotism means anything it is identified not only with the past and the present. It reaches out to the unseen future, to the future of your dreams with its ideals, to the future which will be your boy's present.

Patriotism means progress. Patriotism proposes to leave your country a better place than you found it.

Why, then, shall you or I be so unpatriotic as to suffer silently the undeniable abuses which surround us ? That is not patriotism to suffer like that. That is cowardice.

Washington, Jefferson and Lincoln—the heroes whom we have elevated to our altars—they were dissatisfied with the abuses of their times. They became heroes because they destroyed them.

Shall their virtues be vices for us ?

Shall we not meet and destroy the financial abuses which have grown up in our midst, the tyranny of Wall Street, the thievery of banking institutions, the game of playing with other people's money ?

Surely, you have a job, soldiers—an heroic job, a job that does not try to identify patriotism with how much you can get out of your country but by how much you can put into it ?

Therefore, this is not the time for the self-seeker. There is no honor for the able-bodied veteran at this moment who has his hand out seeking a dole when 20-million farmers are forced to sell their produce at slave prices ; when 20-million women and children know not where their next week's meal is coming from.

If it is necessary for some of the veterans to take a cut, blame not Franklin Roosevelt who dare not spend more money than he is taking in. Blame the money changers, the racketeers of high finance, the holders of precious, priceless Liberty Bonds who have invested in the corpses in France, in the broken bodies in our hospitals, in the widows and orphans and in the general misery of a country rather than in the products of industry or of commerce or of agriculture.

No veteran will be permitted to suffer physically from wounds received in the war if his condition is brought to the attention of the proper authorities. And no veteran who is receiving medical attention or pension through the grace of a racket should dare to continue to do so during these days of crisis through which we are passing—these days

when honest men will stand side by side, cost what it may, in this battle for financial liberty.

Blame the weavers of war who upon their loom of greed pass back and forth the shuttle of gold from nation to nation.

Blame the international banker !

Do you know that : *“barely was the ink dry upon President Wilson’s signature to that unfortunate declaration of war into which we were cajoled by the lying propaganda engineered by some international bankers of ours, who had been financing the war for Great Britain and France when the first of the money raised by us from our people by popular subscription-money amounting to \$400-million was promptly used to repay J.P. Morgan and Company out of the proceeds of the first Liberty Loan.”*

*“That money represented the amount the Morgans had loaned Great Britain and it was represented by an over-draft advanced by Morgan that might never otherwise have been repaid,”* and you were sent to collect it even with your life.

I quote that information about Liberty Bonds and Morgans from the address of the Honorable Samuel Untermyer of New York City, delivered February 27th, 1933, before the University Club of Los Angeles.

Well, that should be enough to stir you and awaken you. Soldier boys, your greatest battle is in the making.

Never with the old capitalism will we work out our destiny.

Never under communism can we live.

There is a leader who has promised us a new day and a *“new deal.”* All we ask is that the simple precepts of Christian social justice be spun into the fabric of our everyday lives.

You are tired of those so-called cyclical depressions—depressions caused not by an act of a kind God but rather by the avarice and stupidity of godless men.

You are weary of bearing conditions which forced the factories to close and compelled you to raise your children a prey to rickets and to tuberculosis through undernourishment.

Neither you nor I can figure where the justice of Jesus Christ permits one fortunate individual to amass and to hold millions of unproductive dollars, of blood bonds, while his fellow citizens, his brothers and sister in Christ Jesus, know not where to turn for the next poor penny to keep body and soul together.



Soldier boys, beware of the cunning deceivers who at this vital moment would separate you from the leadership of a President who has pledged himself to the forgotten man and, therefore, to the Unknown Soldier.

His it is to lead.

Yours and mine to follow.

Late as yesterday the sword of truth was in his hand, the shield of courage was before his breast as he was fighting the efforts of a certain group of bankers—Detroit bankers—who precipitated the nation-wide holiday and who were engaged either through themselves or through others in trying to resurrect the corpses or the two great group banks, with new names, perhaps, over their main entrances, with new names listing their boards of directors and their chief executives, but with the old principles, the old tricks, the old dishonesty still prevailing.

It was the City of Detroit where the bank holiday originated. It is in the City of Detroit and nowhere else that the cleansing of the Augean stables of the banking industry will take place.

The Wall Street bankers were willing to pour millions of dollars into this banking graveyard of Michigan to prevent the establishment of a Federal controlled and Federal directed banking unit.

But what happened yesterday ? The old banks are gone forever. The Federal Government is establishing two new banks in this City. This has been decided upon. Half the capital will be subscribed by private, local interests, by citizens, by industrialists, by automobile manufacturers. And the other half by the United States Government. Not loaned, mind you, but actually subscribed. Half the stock, the shares belong to you and to me and to the American people.

Here is the greatest advance in the history of banking which this nation has ever experienced ?

Here is a Federal controlled and Federal supervised fool-proof institution where “insiders” cannot drag out the back-door their money and leave the little “outsider” depositor staring through a closed front door.

Fool-proof, if you keep your Government clean and out of the hands of Wall Street ! Soon other banks will be open. And if the bank in your town, Mr. Veteran, wherever you live—if the bank is still closed, that is no argument that it will never open. It will be opened and it will be foolproof, I hope.

At this moment congratulate President Roosevelt and Secretary Woodin for this other victory which they have gained on the battle front.

Ladies and gentlemen, I said that a new chapter has been written in American banking. One week ago I tried to emphasize for you a chapter that was equally new and equally important.

Now our Government controls the gold of this country. Today it has ventured upon a policy that has been longed for and hoped for and dreamed of by every understanding heart that ever throbbed to the tempo of the tune of liberty.

We in Detroit will see that this becomes the model bank of civilization. We will support it. We will protect it. We will defend it against the attacks from those who say that it is a departure into the realms of radicalism.

Preferably, it is only the God-given right of a Government to take out of the hands of private individuals the elemental and substantial things which are for the common good of all.

Soon shall Cleveland and Pittsburgh and Buffalo and every other city be clamoring for similar institutions !

Soon shall Federal controlled banks make their appearance not only in every city of these United States but in every city of Europe, Asia and South America where men still love liberty and where the lamp of faith and the patriotism of progress burn within human hearts !

This is but the first battle. And, men, you dare not desert your leader who has pledged himself to drive out the money changers. With your help he can do it !

The day we hoped for has arrived. It is the golden dawn of a golden era ! It is the rebirth of the patriotism of progress !

Soldier boys, I know that you learned much from rubbing shoulders overseas. Your minds are not old-fashioned minds. Not minds filled with the savage notions of primitive tribes nor with the haughty egoism, the bully spirit of pagan patriotism ; the patriotism and the egoism, both of which are identical with the mortality of a worn-out past. Ours is a Christian patriotism, predicated upon peace and justice and charity.

Do you misunderstand me. When I say peace, I am no pacifist. When I say peace, I am no advocate of a row boat navy. But I do not believe that by loving my country, I must hate my neighbor's country as we were taught to do in the past.

This is what you men have learned from rubbing shoulders with the German and the Italian, the Pole and the Jew, the Slav and the Scot, the Irish and the Canadian.

There is room to live and let live in this world which God has given to us. There is time to develop a polity of peace.

There is need on your part and on my part to help spare the children of this generation from being forced to bathe in a cauldron of war more fierce, more bloody, more cruel than we ever dreamed of.

And while speaking of that, I am thinking of a verse penned by the great apostle of the Gentiles.

I am thinking of the thought which is expressed in the words : *“There is neither Jew nor Greek, there is neither bond nor free, there is neither male nor female for you are all one in Jesus Christ.”*

Do you know what that means ? If you want to find out, stand you at a corner of Michigan Avenue or Broadway and watch the traffic pass you by.

Amid the hum of the motors, the honk of the horns, the clang of the bells, the shouts of the voices, there is a drama being enacted before your very eyes.

Italian and Greek, jowl by jowl ! English, Irish, French and Spaniard, sailor from Portugal, trader from India, native from China ; black and yellow and white Caucasian, Jew and Gentile, watch them as they mingle in the traffic ! Listen to them as they speak a common tongue ! Behold them, one and all, brothers and sisters of Christ Jesus, crimsoned with His blood, crowned with the glory of His grace.

*“I have prayed that you be one,”* said Christ our Master. Elsewhere He said : *“One God, one faith, one baptism and one Father of all.”*

Behold the melting pot of America where there is neither bond nor free, no distinction between male and female in the courts of the land. Christ’s dream coming true. Paul’s vision being realized upon the canvas of life, for you are all one in peace, one in the brotherhood of Jesus Christ.

Away, then, soldier boys, with bigotry and your gun logic.

Lift aloft the flag of unity. Not the red flag of the internationalist ! But alongside our own Stars and Stripes, lift aloft the flag of Christ’s charity, of Christ’s love, of Christ’s doctrine that whatsoever we do to the least of His little ones we do unto Him.

One we are and one we will stand so that the truth will make us free. There is the battle for us to fight !

There is the Waterloo for the international money changer, for the Liberty Bond holder.

God bless you, soldier boys ! God bless you !

Driving Out the Money Changers

Charles E. Coughlin

" From The Ashes We Shall Rise Again "

## I

Certain names and places have acquired more than a local interest. Bethlehem, the least of all villages, forever will be a name universally recognized because of the, immortal Christ Who was cradled there.

The name of Lexington has traveled with the shot that was "*heard round the world.*" So with Gettysburg whose mere pronouncement is universally associated with the death of slavery and the rebirth of a new liberty.

Therefore, I do not hesitate today to speak to this national audience of the City of Detroit.

Formerly its history was identified only with a garrison and trading post founded by Cadillac. In later years its development from a peaceful river port into a throbbing beehive of automotive industry was linked with the names of giant industrialists—the Fords, the Fishers and their contemporaries.

But tomorrow children shall be taught to tell upon the rosary of time the new history that is ours today.

Detroit has become the birthplace of a financial dream.

It has taken a place in the pages of history alongside Lexington and Gettysburg.

## II

In brief, my friends, the hopes and aspirations of all honest citizens have been achieved. The first battle against the money changers has been won ! Our Republic is young. For one hundred years or more while it was developing in thew and sinew ; while it was transforming forests into cities, pasturelands into golden fields and deserts into gardens,

there grew up within it as elsewhere a group of men whose god was gold and whose creed was greed.

They were devotees of the neo-paganism ; acolytes in the sanctuary of materialism ; and prophets of narrow individualism—individualism which was devoid of responsibilities ; individualism which was totally divorced from both social justice and Christian charity.

By no means do I include within their unhallowed ranks the honest banker, the pioneer banker who fought shoulder to shoulder with his townsmen in their struggles against adversity. Rather do I point only to the lineal descendents of Judas Iscariot who year after year contented themselves with selling their fellow citizens for the equivalent of thirty pieces of silver.

*“The first battle has been won”, said I ?* But the war has not ended. It has but begun.

In all likelihood before the flag of peace finally will be unfurled Cleveland and Pittsburgh, Chicago and Kansas City, Los Angeles and Boston, New York and New Orleans—these will be names emblazoned upon the escutcheon of time. These, too, will be battlegrounds consecrated with the blood of victory—the courageous blood, shed, if necessary, in driving the money changers from the temple of this land of ours—!

My friends resident throughout this nation, let me report to you what occurred at Detroit so that you may profit both by our wounds and learn from our struggle in the contest which most certainly shall be yours tomorrow.

### III

As you well understand the financial structure of the United States of America became so weakened and undermined that on the day after President Roosevelt’s inauguration he found it necessary to suspend all banking operations.

It was a structure which reminded one of a building whose foundations had crumbled ; whose supports had rotted. Fearing its immediate crash the Government roped it off, stationed guards before its entrances and nailed the danger sign over its doorways.

The Morgans, the Kuhn-Loebs, the gamblers of Wall Street had been well assisted by the Mitchells, the Harrimans and their lieutenants in crime throughout the nation.

All semblance of honesty and of justice had been abandoned by this group—a group which had dedicated itself to the manipulation of the industrialist’s factory, to the confiscation of the farmer’s home and to the degradation of the toiler’s lot.

Modern banking had degenerated into a crap game where the dice, too often, were loaded ; a crap game played by the unscrupulous expert with other people's money.

Other people's money !

Sleek haired bandits attired as slick as an undertaker and wearing a white carnation in their lapels, were officiating at your financial funeral as they ushered you to the wicket for the deposit of your hard earned wages.

Wages to be piled into substantial savings only to be looted by the oily-tongued bond salesman !

Had you been gifted with prevision when this salesman had bowed his way from your presence—your money in his wallet and his Wall Street paper in yours, commonly known as wall paper—you might have seen the crepe of destruction hanging on your door ; you might have heard the winds of wailing poverty whistling through it as your requiem was sounded.

Did the Government of the United States come to your rescue with a warning ? Not at all !

Where was the flaunted freedom of the press which in bold type and with sickening repetition gave its support through the financial columns of purchased propaganda while America and its citizens were being ravaged by this plague of ghouls—sepulchral ghouls who, cared little for God's justice and less for man's happiness ?

Like the criminals of the Middle Ages who claimed sanctuary and immunity in the Church of God, the banker, the professional looter, found safety and defence in the silence of the modern newspaper.

Neither by an act of God, neither by plague or famine, neither by tornado nor by hurricane, was man deprived of his share of a bounteous nature. If unemployment has been multiplied, if poverty has increased, if the heart of the world has been pierced by the sword of suffering, whom do we blame for the catastrophe which has overfallen us ?

Men, wicked men ! Men who cast aside the mantle of virtue. *"Away with Prudence, Justice, Fortitude and Temperance !"* cried they. *"Welcome the seven deadly sins ! Come Pride, Covetousness and Lust ! Come Anger, Gluttony and Revenge ! Welcome Sloth, the vice which cares naught for one's eternal salvation !"*

*Welcome again the sins that cry to heaven for vengeance—defrauding the laborer of his wages and robbing the widow and the orphan !*

Oh, men, you dreamed you dwelt in marble halls. You forgot, however, that the wages of sin is death.

One by one your marble halls of finance which had been built upon the quicksands of sin began first to topple and then to fall.

All the prostituted propaganda of public pronouncements was unable to save them.

*“The rain fell, the floods came, and the winds blew, and they beat upon that house, and it fell, and great was the fall thereof,”* (Matt. 7:27)—the rain of your man-made poverty, the flood of bitter, human tears and the wind of passion and of discontent. Such was the prelude to the collapse of our financial structure. So were the words of the prophetic Christ once more realized by a patient, suffering people.

Then came days of meditation, of investigation and of analysis.

What was the chagrin of the people, my friends, as they discovered beneath the ruins of the house the pagan philosophy which had recently been engendered from the unmoral minds of those banker men ? Had we not been taught that if and when a bank failed, the stockholders in such an institution were legally obligated to pay a double liability assessment for the protection of those who had placed both faith in them and money in their vaults ?

Was it not generally understood that wherever a bank failure occurred the owners of a bank must first suffer before a depositor shall lose a penny ? That was the law of the land.

But contrary to the spirit of that law, thousands of banking institutions preferred to practice the sin of injustice by forcing the people, the depositors—the scrubwoman, the laborer, the farmer and the policeman—to suffer first, thereby protecting the grafting, grasping, greedy banker.

In no sense am I criticizing the honest stockholder, the brave stockholder who is willing to bear his burden and share his responsibility.

This criticism is meant for the welcher, the coward, the lily-livered selfseeker who always plays to win, who never dares to lose, cost what it may ! Was not that the thought originally behind the operations of the Reconstruction Finance Corporation as the public Federal money of the United States, raised by taxation of the people at large, was poured into those ratholes of banks to keep alive the exploitation ; to save the cringing stockholder ?

*“Let the depositor suffer ! Hands off the sacrosanct stockholder !”* What though our statute books clearly and specifically state that whosoever buys bank stock does so with the understanding of accepting the responsibility of bank failure ?

The law has been perverted.

All liabilities of wealthy, inside stockholders, all responsibilities and all justice to the innocent depositors have been hopelessly confused, entangled and enmeshed by the unmoral creation of so-called holding companies, which made it possible to cheat the widow, to rob the orphan and to depress the poor, while they enabled the artful dodgers of high finance to escape the law.

For the preservation of the sanctified white carnation the American people had been tricked.

In this struggle, therefore, to gain our financial freedom and to re-establish the liberty of our laws, is it not plain, my friends, that on one side stand the regimented forces of bankers and stockholders entrenched behind the walls of holding companies ? On the other, the determined hosts of mulcted depositors ?

Keep that point in mind as I describe for you the battle of the bankers waged at Detroit, Michigan—a battle fought on the one side with the weapons of the highwayman, with the logic of lies, under the captaincy of a commissioner of police supported by an unseen general who sat in the sanctum of an editorial room while the puppets of his press played upon the gullibility of an unsuspecting public.

And on the other side were the industrialists who had made Detroit, the vast majority of its soul free merchants, its hundreds of thousands of small depositors—men and women of every class who anxiously awaited some definite word from the columns of their newspaper ; men and women who asked only for the bread of truth but to whom was handed the buncombe and stone of falsehoods.

#### IV

And now for the story of Detroit in particular.

Here we had two presumably great group banking institutions known commonly as the First National Bank and as the Guardian Group.

Approximately six weeks ago these banks along with every other bank in the State of Michigan were closed by our Governor's proclamation. This was the beginning of the so-called national bank holiday.

Governor Comstock took this step because it was said that one unit of the Guardian Group was in a weakened condition. The citizens were assured that the First National Bank was perfectly solvent, securely sound.



Sound banks ! So subtly was this lie established throughout the City of Detroit that according to testimony certain branch bank managers of this institution ran to the telephone on the morning of February 14th ; called up clients who had more or less large deposits, and assured them that the First National Bank could pay at that moment 80 cents on the dollar, adding that it would require only a few days to pay the remaining 20 cents.

Affidavits for this statement from duped depositors are in my possession. But what were the real facts at the moment while this lying telephone propaganda was being practiced ?

On December 31, 1932, the cash and Government securities of the First National Bank amounted to approximately \$108-million. This means that it could have paid only 25½ cents on the dollar.

On February 11, 1933, the cash and Government Bonds of this same bank amounted to but \$45-million. This means that it was 12½ per cent liquid when depositors were being told that it was 80 per cent liquid.

In thirty-five banking days previous to the bank holiday approximately \$63-million of “inside information money” had leaked out of this bank either through the front door or the back door. If this withdrawal figure is not correct it is because of protected, and deceitful bookkeeping.

If the naked truth were known these two banks were not only rotten. They had already decayed beyond repair.

Secretary of the Treasury, Mr. William Woodin, confirms this statement in a public utterance made March 25th when he says :

*“Candor compels me to say that losses in both of these banks extend far beyond their capital structures, and neither of them can be permitted to carry on as sound banks.”*

To emphasize this point let me go on record in stating that even in November, 1932, the banking situation in Detroit had become so decadent and obnoxious, according to national bank examiners, that the great First National Bank of this City in order to escape having its charter recalled began to peddle out their bad paper, their bad accounts to their affiliates and trust company which became nothing more than dumping pots and ash piles for the refuse created by mismanagement.

You plain people of America wonder what wrecked the banks. Well, let me tell you in brief its sordid story.

First, the Government officials who have seized the books of these banks can detail for you a long litany of loans made by the banking officials to their affiliates. Loans oftentimes which had little or no security to back them up. Loans made to men who

dodged their responsibility to the depositors by hiding behind the legal but immoral holding company similar to the one of which E.D. Stair is president.

These loans, as we know, were beyond all proportion. The officers who procured these loans were taking the small depositors money to pay for their comfortable homes, their motor cars, their gambling upon the stock market, their living in ease and in luxury on other people's money. They contented themselves by saying : *"My stock in the bank is hidden in the holding company. I can escape paying the double liability. Why should I not profit by the dumb-bell money although my security does not warrant this borrowing ?"*

Secondly, false financial statements helped to wreck the banks—false in the sense that the statements, despite the ravages of the depression, still counted real estate and dead loans not at the present, adjusted values but at 1929 values.

Thirdly, branch banking and real estate mortgage loans wrecked the banks. On February 25, 1927, under the Mellon regime the Government then permitted banks to invest your money and my money in real estate mortgages. Mortgages which permitted the dishonest builder and the rabid speculator in apartment houses and in real estate subdivisions to squander the depositor's money while he drives by in his motor car and watches the cows march home to be milked on the pavement twenty miles from civilization.

So the crap game of frenzied finance went its unholy way here and there and everywhere, pampering the speculator, skyrocketing prices and caring little for the inevitable day of reckoning.

Thus, on the records of the First National Bank are manifested loans procured from outside. They had to run out and borrow to save it from failing months ago. But despite the necessity of borrowing money, despite the findings of the bank examiners, despite the inevitable finger of failure which was already stretching out to indict them, this bank still kept milking the money from the people and practicing its deception by showing upon the public statements profit of \$310-thousand for two months' operations, the worst two months in the history of the organization, as it was proceeding on its joy ride from the mad house of speculation to the morgue of failure. But in the meantime the old rule still obtained that the banker and the stock holder must win at any price. The depositor must pay !

That is why the holding company was established. An honest banker needs no holding company. Its very existence is an indication of hidden practices.

Then came the collapse.

Followed six hectic weeks of conference, of debate, of conniving. Six weeks devoted to chiseling the public. Six weeks which ended up not only with a zero for accomplishment but with hundreds of millions of dollars of commercial, of industrial and of laboring loss to the City of Detroit.

Then the Reconstruction Finance Corporation was asked by these bankers for a loan. It was petitioned to step into the morgue and lift from the cold, gray slab a corpse that was already stinking in the nostrils of a nation. It was asked to perform a miracle with your money and my money in order to save the precious hides of those who had dissipated the depositor's money.

But it was time to bury the remains. The best informed people in the City knew it. The bank examiners knew it, and the Government knew it. Therefore, it was decided by the United States Government to establish a new bank in Detroit and, if necessary, to let the law take its course as far as the stockholders, the mismanagers and the officers of the old banks were concerned.

Here was news of a most important character. The United States Government decided not to make a loan to this new bank but to purchase every penny of its preferred stock—\$12,500,000 worth of it—to purchase it, mind you. The General Motors Corporation, the Chrysler Corporation and the Ford Motor Corporation—organizations which had given impetus to the growth of this fair city were invited to purchase \$12,500,000 worth of the common stock.

As a result the General Motors Corporation made the total investment of the common stock with the understanding—the written, pledged, contracted understanding—that every penny of its stock was for sale to the old depositors of the defunct banks, penny for penny that had been paid for it, not a penny's profit.

At last the dream of the centuries had been realized. A Government controlled bank had been called into existence. This was glad news to the citizens and sad news to the bankers.

*“But this governmental program must not be realized,”* said the white carnation bankers. *“It means our exposure. It means our ruin.”*

Then began a program of villification.

The slogan of *“Save the old banks !”* was spoken from rostrum, from loud speaker and emblazoned in captions in the press.

*“Pity the poor depositors !”* was the cry that was also hypocritically raised. As a matter of fact what they meant to say was *“Save the stockholder and pity the chiselers !”*

To spread their propaganda there appeared in the columns of *“The Detroit Free Press”* scurrilous articles indirectly attacking the Government for venturing to establish a new bank in the City of Detroit—this new institution *“of the people, by the people and for the people.”*

*“The old racket must continue !”* said the exploiters.

On Monday, March 20th, we read on the front page an editorial in “*The Detroit Free Press*” which in part is as follows :

*“Federal Bank Examiners now in charge of these banks at Detroit make no attempt to conceal the fact that banks have opened in the United States that were in worse condition than those of Detroit. They have been assisted by the United States Government. . . .*

*“Detroit, carrying the burden of the depression, was denied assistance at Washington, and despite denials and counter-denials those best informed still believe that politics played an important part in precipitating the banking holiday in Michigan. This fact remains, that communities which were not nearly as badly hit as was Detroit, were extended the helping hand by the Reconstruction Finance Corporation.*

*“No other conclusion can be reached by persons who will take the trouble to wade through the reports of the Federal Reserve System and of the Comptroller’s office.”*

This is the thought expressed by “*The Detroit Free Press*” a rabid, partisan paper. A paper published by the President of the Detroit Bankers Company ; a paper that was wedded to the past with its exploitation ; a paper religiously opposed to the “*new deal*”.

This statement is a sample of the vicious misinterpretation that was designed to obstruct the driving out of the money changers from the temple of this country. It is absolutely untrue according to the statement of Secretary of the Treasury, Mr. Woodin, and his associates who have the real information at hand and who report to the nation that “*losses in both of these banks extend far beyond their capital structures.*”

It is in keeping with the misrepresentations made by “*The Detroit Free Press*” of a telephone interview which a news reporter had with Bishop Gallagher and in which he was misquoted by him.

What a cheap insinuation had been uttered by this paper here and in many other instances during these six weeks of camouflage and of deceit. At one time trying to outwit the public by their half-baked truths. At another taking a cheap gutter-born sling at the President of the United States who promised the people of this country a “*new deal*”.

Here was an example of professional obstructionism, of editorial wrenchslinging under the patronage of a gentleman who not only publishes a newspaper but is also the president of the Detroit Bankers Company, the holding company, the hide-out company, to which belong the First National Bank of Detroit, the Detroit Trust Company, the First Detroit Company, the First National Bank Building Company, the Detroit Banker Safe Deposit Company and eight other independent banks of the group scattered in the neighborhood of Detroit, the total resources of which amounted to approximately \$560-million. No wonder he had an ax to grind ! I repeat it, it was the huge hide-out company

behind whose walls it was possible for the buccaneers to divide their loot and to defy apprehension.

This same gentleman, Mr. E.D. Stair, the publisher of "*The Detroit Free Press*," in the columns of which were carried misstatements, purposeful extravagances, vicious insinuations, to prevent the Government controlled bank from opening its doors and serving the people of Detroit ! Mark him well !

Working hand in hand with him was Commissioner James Watkins who rules over the destinies of the police department of Detroit. His specialty was radio addresses. Appearing before the public as seemingly representing the policemen and the small depositors—and representing nobody—he waxed eloquent in his condemnation of the Government Plan and in his pleadings to establish an annex to the morgue where the corpse which he was defending was already decomposed.

The small depositor who bore allegiance to him did not know that this self-appointed leader owned 165 shares of the First National Bank stock. The small depositor did not know that 1,477 shares were likewise owned in Mr. Watkins' immediate family, making a total of 1,642 shares or \$32,840 that he and his immediate family as stockholders were obligated by law to pay upon the double assessment for the protection of the small depositor.

Nor did the small depositor of the City of Detroit realize that this same Commissioner James Watkins has total obligations of \$170,390.00, to be exact, to the Detroit banks with only approximately \$1,200.00 on deposit against it. How easy are the misinformed and deceived public taken into camp by those who have an ax to grind and a hide to save.

Mr. Watkins, skilled attorney that he is, well knew that in the event of the establishment of this Government controlled bank he would be forced to pay back some of the other people's money upon which he had lived as well as meet the \$32,840.00 liability towards the small depositor which he was endeavoring to escape.

Ladies and gentlemen, those who, for the most part, have defended the corpse that is now buried will be found to be seeking the flesh pots of Egypt.

For twenty years or more the people of this nation have been suffering from the slavery of Mellonism. Its policy was to protect the white carnation. Its program was occupied with gambling with other people's money, with building up a false confidence that has come crashing down upon them. Its vehicles of propaganda oftentimes were the mouths of Government officials and sometimes the columns of news journals similar to the old lady of Fort Street, "*The Detroit Free Press*."

*"Save the stockholders !"*

*"Let the depositors pay on the line,"* although 60-thousand families in Detroit are eating the dole bread of poverty at the table of the Lord.

Meanwhile, *“Revive the old banks. Revive the crookedness, protect the undersecured borrower, pamper the speculator, bequeath to your children the financial sorrows which you have experienced—above all, sustain the holding company, the den of forty thieves, the hide-out, the blind pig financial institution where shady transactions are perpetrated and where are printed the depositors’ passports to doom.”*

Thus the battle was waged.

The defenders of the old system played upon the minds of the small depositors by telling them that if the United States plan of Government controlled banks were adopted, our finances would fall into the hands of “outsiders,” of Wall Street. The business man was approached with the threat that his industry, his holdings would be ruthlessly liquidated.

How false and misleading !

The Government plan as established last Friday and which will continue here in Detroit is no “outside” plan, as I said.

Briefly the plan is this : There will be 100 per cent stock issued on this new bank.

Fifty per cent, may I repeat, of it shall be preferred stock. Every penny of which shall be owned by the Government—\$12,500,000.00

Fifty per cent of the total stock shall be common stock. For the time being it will be owned by the General Motors Corporation—\$12,500,000—but with the understanding that you and I and every citizen of Detroit who has been a depositor has the right to buy it and own it.

Moreover, a Government representative shall sit on the board of directors of this new people’s bank.

This is no “outside” plan, no Wall Street plan, no big interest commercial plan.

To quote from an editorial in yesterday’s *“Detroit Times”* we read :

*“And as for fanciful claims that the new bank is sort of a carpet-bagging institution, a stranger in town, as it were, payroll and tax records of Detroit are the best evidence. General Motors, which is a partner in the bank with the government, pays almost \$2,000,000 in taxes yearly to Detroit and approximately 55 percent of the entire pay roll of the huge organization is disbursed within the State of Michigan.”*

Is that an outside bank ?

The editorial continues :

*“As for fear that some New York or Chicago or other influence may buy over the bank stock and with it control of the new institution, Washington officials point out that the government in the first place does not intend to sell any of its preferred stock until after there is a general recovery, and that when this time comes the stock will be offered first to Detroit.*

*“So, as far as Washington is concerned, Detroit’s bank emergency is cleared up. A new bank is functioning and Uncle Sam will do his best, over a period of time, to get depositors dollar for dollar out of the defunct institutions. The pity of it is that the big banks were allowed to get into the state that the government finds them.”*

Thus, my friends, Detroit has won the battle. We had courage to confront the enemy in his stronghold. Despite his wealth, his influence, his newspapers ; despite his perversion of truth, his duplicity, his hypocrisy, we have won the honor in our fair City of seeing the birthday of the first Government controlled bank in our modern history—a bank of the people and for the people—a bank whose stockholders and officers hide behind no blind pig holding company—a bank that has opened its doors with the assurance of guaranteed deposits—guaranteed by the presence of the Government ; guaranteed by the cooperation of the depositors.

*Meanwhile, “plenty of things are being gossiped about and discussed daily in financial circles to furnish ammunition for an enterprising survey of the wrecked banks to find out all about what happened to them.*

*“The United States Government should bring out all the facts for the public to see. If bad loans and ‘unhealthy’ deals were made with depositors’ money, the people ought to be told.*

*“And steps should be taken to see that the same or similar things do not happen again.”*

And now, my friends in Detroit, the latest word is the simple slander that Father Coughlin has been purchased—*“I am now on the side of the big interests !”*

For seven years I have been and now am on the side of the biggest interest in this democracy, the interest of the people.

On the side of those 60-thousand families on the welfare while the Watkinses and the Stairs fight the battle for those with unsecured loans, undersecured loans, officers loans, wholly out of proportion to any credit they were entitled to.

Every penny of this is the people’s money the small depositor’s money, the small business man’s money, swept away in this banking debacle. \$2,800,000 of Reconstruction Finance Corporation money given to Mayor Murphy to feed the poor—that went into the rathole with the rest of it.

Big interest—yes clearing away the money and banking obstacle that presently controls the life blood of the people.

My interest is in the big interest—yes, I tried to be a voice, almost alone, crying in an economic wilderness—crying : *“Prepare ye the way of the Lord ; make straight His path !”*

*“Every valley shall be filled, every mountain and hill shall be brought low”*—every valley of economic injustice, every mountain of corrupted graft. Do you know the circumstances which decided the choice of a motto for the City of Detroit ?

It was in the year of 1805. A hot, sultry afternoon in the middle of July had parched the lawns and dried up the fields.

A farmer was observed driving a team of huge horses. Behind them was a wagon loaded with hay. The farmer was smoking. Suddenly his load of hay was ablaze !

The wind was rising from the northwest. Soon the neighboring frame houses were on fire.

Despite the frantic fight of the citizens to extinguish the flames, 2,500 houses—every home in Detroit—had been destroyed.

As the sun was sinking in a flame of crimson, the villagers were on their knees, pleading with God to give them courage.

*“Let us hope for better days. We shall arise from our ashes,”* spoke an old French padre.

My friends, from the ashes of the financial structure which has been destroyed ; from the ashes resulting from the activities of the wicked banker, the banker who set his torch of greed to the edifice of our prosperity, Detroit and America shall both rise again. Better days are to come !



Driving Out the Money Changers

Charles E. Coughlin

THE TRUTH MUST BE TOLD

I

Of course there is no topic for discussion which currently bears half the interest as does the financial question.

It is one which is far reaching. The past is strewn with the wreckage of mismanaged banking institutions. The future is lighted by the lamp of a new hope, of a new deal, which gives promise of the return of a sane prosperity.

Naturally, the present is disturbed. It is a period of transformation of social conflict. Old prejudices, worn out systems, impractical methods and immoral ideals have been washed aside by the flood-stream of righteous indignation.

On the one side tenaciously clinging to the past were the speculative bankers, the credit inflationists, the gamblers with other peoples' money. Opposing them were the battalions of the exploited—the deceived investors, the small depositors, the anxious industrialists, the hard pressed merchants, the laborer and the farmer.

The inevitable happened !

Armed with the weapons of truthful facts, the exploited rose in their might to overwhelm in the first pitched battle the forces of the exploiters. History will record this victory as the birthday of the first Federal controlled bank in the United States of America.

As far as Detroit is concerned, its two most important old banks are hopelessly insolvent—\$150-million insolvent according to the Detroit Times, which is now about to run an expose. They have gone forever.

Just as all important sections of the United States have been interested in this conflict, so, too, they will be doubly interested in its aftermath. Now is the time to repeal the false ideals of the old system.

Now is the time to insist, first, that stockholders in these old banks shall pay their double liability to the depositors as demanded by the law of the land.

Now is the propitious time to outlaw once and for all the holding companies which were part and parcel of the old system—holding companies which last Sunday I termed “hide-out” companies behind whose corporate walls widows and orphans and small depositors were artfully and cruelly despoiled.

## II

What was said on this subject of “holding companies” in last Sunday’s discourse I neither retract nor modify. Today it is my aim to amplify these statements with concrete reference to the Detroit Bankers Company.

My approach to the dissolution of the Detroit Bankers Company is necessarily along the tortuous pathway which leads to the editorial rooms of “*The Detroit Free Press*.” Its publisher is at once the President of the Bankers Company. I refer to Mr. E.D. Stair, who is now enjoying the clemency of Florida weather.

“*The Detroit Free Press*,” be it known, has functioned in this City for over one hundred years. Its traditions were moulded in the sands of a former age.

Older institutions have outgrown it because in their veins there flowed the virile blood of progress.

Younger organizations whose pulses beat in the tempo of the new day have discovered new outlets for their energy, new services for their clients. Not unkindly do I characterize this institution of “*The Detroit Free Press*” as moribund. In journalism it lacks the vivacity of its local contemporaries. In policy it appears to be wedded to silly class supremacy. It does not seem to comprehend that no longer is it possible to hide behind the walls of its pressroom and dominate the thought of the community where it functions.

Someone has quoted these verses for its epitaph :

*“Pillars are fallen at thy feet,  
Fanes quiver in the air.  
A prostrate city is thy seat,  
And thou alone art there !”*

Unconscious of the far flung influence of the radio, this relic still carries on its warfare for the continuance of the obsolete, for the preservation of the corpses of the past.

Ladies and gentlemen, in our contest against the old banking system we were not disappointed in finding the forces of “*The Detroit Free Press*” arrayed against us.

Nor were we chagrined at its tactics. To become angry and disturbed because of these tactics on my part would be to betray intemperance where sympathy is rather required.

I regretfully understand why this journal all week long expended both its maximum effort and talent in assailing me with personalities because I of necessity was forced to identify its banker-publisher in my condemnation of the holding company, the hide-out company, over which he presides.

More headlines, more space have been wasted by "*The Detroit Free Press*" in one week in an effort to villify me, than were devoted to the relief of the poor, of the starving thousands in this year of our sorrowful man-made famine.

Morning after morning my name and my "*nefarious*" activities were held up to the hatred of many while some 270,000 fellow citizens were forced to eat the scanty crumbs which fell from the table of the Lord, and not one paragraph to defend them.

This was the only forceful argument which this journal could employ to defend the integrity of holding companies.

Its pretext for assailing me was founded on the assumption that I had made a personal attack upon its editor and others.

As a matter of record, I referred to Mr. Stair as the publisher, as the banker. I regarded him as much a public character as was, for instance, the indicted Mr. Charles Mitchell of New York or Mr. Insull, because he was President of an institution which controlled the destinies of hundreds of thousands of depositors.

To this public gentleman I referred last Sunday in rather strong but rather truthful language. But to the private Mr. Stair, as yet, I did not even allude.

Ladies and gentlemen, this broadcast that is coming to you today would have been prevented if "*The Detroit Free Press*" had been successful in its devisals. I regret that the journal which proudly bears the appellation of "*Free Press*" forgot itself to such an extent as to endeavor to intimidate free speech.

In desperation its editor wrote a letter to every interested radio station and to the Federal Radio Commission intimating legal proceedings, for my alleged libelous statements regarding Mr. Stair and others.

This journal which has constantly belittled the activities of broadcasting is to be pitied in its futile attempts to sustain the dead past ; in its attempt to impede the establishment of an honest banking system. Little heed is paid to these senile tactics by the intelligent American who has grown weary of this type of decadent journalism, a type which in the mirror of today is reflective of the actions of yesterday.

Yesterday ! May I open for you the pages of our State history to substantiate this assertion.

It was the year 1912. The Honorable Chase Osborn was then Governor of Michigan. That year was identified with the obnoxious saloon. That year was notable for the many discussions on woman suffrage.

In Michigan, there was an organization known as the Knights of the Royal Ark.

This order petitioned the State Legislature to oppose any liquor legislation designed to clean up the saloon and the bar-flies that inhabited it ; to oppose the bonding laws' changes, woman suffrage, referendum, recall, etc. Saloon born politics were distasteful to more progressive minds. It was high time for progress to seek its ideals and to select its direction from sources other than the cuspidors and the brass rail which give impetus to many editorials.

Thus, in an official document filed in the State archives, Governor Osborn makes the following record :

*“The Order of the Knights of the Royal Ark is composed of saloon-keepers. These saloon-keepers are all dependent upon the Michigan Bonding and Surety Company for their bonds. . . . The connection between the Knights of the Royal Ark and the Michigan Bonding and Surety Company and the large brewers. . . . is unbroken. They might be warranted in taking a position in opposition to the proposed brewery and bonding legislation ; but when they extend their influence to such questions as the..... referendum. . . and woman suffrage, it proves that they fear the wholesome public voice and are disposed to smother it wherever possible.”*

So speaks the official document.

Governor Osborn continues with the observation that :

*“The Detroit Free Press” and “The Detroit Journal (now defunct) are active supporters of the Michigan Bonding and Surety Company and of the brewery-owned saloon.”*

Later on in this public document that is filed in our archives, the Governor states that :

*“E. D. Stair, a large owner of these papers, won his money from the cheap and vulgar and suggestive theatre business. So illy-conducted were some of them that one at least became known to the police and public of Detroit as ‘the Crime Academy’.”*

And so this official document asks the question of the State Legislature :

*“How many of us will flock with the Michigan Bonding and Surety Company, the brewery-owned saloon and Mr. Stair, and who will foregather with those who are standing and hoping for better things in Michigan.... The agents of evil obtained their profits from the common people by selling them things that excite sensual debaucheries (referring to the saloon and the melodrama) and then use the same money to prevent their emancipation and improvement, thus keeping them in a state of sad bondage wherein they are most easily preyed upon. Thus are the masses made to forge their own shackles and wear them.”*

In such forceful language did the former Governor of Michigan strongly speak of “*The Detroit Free Press*” and its former affiliates.

The point is, to requote the former Chief Executive of our State : “*It proves that they fear the wholesome public voice and are disposed to smother it wherever possible.*”

The unerring pen of history continues to record this characteristic of the “*Free Press*”—a characteristic that is linked with opposition to reform. Reverently I approach this blemished page of modern history which tells of the only journalistic disgrace perpetrated during the Presidential campaign.

Need I rehearse for the people of the country the glorious platform of President Roosevelt ? His more glorious progress ?

A few weeks before his election to the Presidency, Mr. Roosevelt visited the City of Detroit.

Disparagingly “*The Detroit Free Press*” referred to him.

Contumeliously they insinuatingly compared his importance and popularity to those of a convalescent chimpanzee, Joe Mendi, by name. No wonder you gasp !

Twenty thousand citizens interested in the President, insinuated their article. Forty thousand persons interested in the monkey !

Need I now explain the reason for this journal’s personal attack upon myself ? Arguments spun out of billingsgate ; insinuations coined in the mint of desperation ; headlines set in the type of deception—all because I allegedly attacked their publisher’s personal character when I merely scratched the surface of the official activities.

All I am interested in when disclosing these well known facts is that “*The Detroit Free Press*” is today as of yesterday, interested in obstructing the establishment of wholesome progress.

Yesterday, it defended the obnoxious saloon and opposed woman suffrage. Today, it defended a rotten financial corpse and opposed the Federal banks.

Yesterday it advocated the retention of the old deal, the Mellon deal, by stooping to insult our beloved leader.

Today it argues for the sanctity of holding companies by painting me as a scoundrel.

While I thank "*The Detroit Free Press*" for their compliment in so classifying my efforts, nevertheless I am inclined to absolve them for any intended hurt aimed at me either through the activities of their investigators or through the paragraphs of their editorials.

But bear in mind, "*The Detroit Free Press*" which has undertaken to be the defender of stockholders and holding companies is offering no defence for its cause when it dodges the issue to indulge in personalities.

It accuses me of uttering falsehoods and cannot substantially prove its own statements.

It defames the Radio League of the Little Flower and myself for investing in productive Michigan industry, which we will do again, while it canonizes the gambling organization which pertains to the Detroit Bankers Company.

My friends, as we approach the end of this broadcasting season, it is apposite that I restate the position of the Catholic Church and of its clergy relative to their officially discussing economic questions—a question that was forced upon me by "*The Detroit Free Press*".

For several years I have addressed you on topics dealing with social justice—labor, the concentration of wealth, exploitation, taxation—subjects which are of paramount importance to all of us.

While the world is confronted with definite problems it is erroneously inferred that the clergy should be satisfied with speaking in wide gauged platitudes. In the face of universal distress it is falsely presumed that clerics should appease their consciences with the narcotic of silence—a silence that has been dramatic. These unchristian thoughts suggest a serious question, namely, whether it is within the province of a priest to deal officially with these modern problems or whether he should confine himself to the preachments of things spiritual only.

I wonder how the gentle Christ would make answer to this question ? Supposing that this year, this very day, He returned in the flesh to walk amongst His brother men.

Where would you find Him ?

Wintering in the soft effeminacy of a southern isle or mingling with the unfed, the unclad in Union Square ?

Behold your Christ as He mingles with the unfortunate !

Once more He would gather around Him the cold, thin forms of little children !

Bread for the hungry, the medicine of miracles for the sick, consolation for the outcast—these are His immediate gifts.

*“Why,” asks He, “must men starve in the midst of plenty ? Why must there be luxury, and ease and lenten holidays ? Why must the poor be trampled upon ?*

*“Why must God’s brothers be treated like servile beasts ? Why ?”*

Of old did He not break the sinful silence of cowardly conservatism to inveigh against the Pharisees ?

And now, will He not wax eloquent against the Pharisees of concentrated wealth ?

Tell me not that Christ will speak in platitudes when fifteen million men are unemployed ! when twenty million families are burdened with unbearable debt.

If an Annas or a Caiphas must be assailed as unworthy leaders in the sight of heaven, will not Christ condemn them ?

If the princely lords of Wall Street try to catch Him in His speech—call Him the friend of Beelzebub, call Him demagogue, call Him radical, will He the fearless, peerless One hold a sinful peace—when there is no peace !

Not he ! *“Woe to you Scribes and Pharisees, ye hypocrites—Ye who bind heavy and unsupportable burdens and lay them on men’s shoulders ! Ye who devour the houses of widows ! Well do ye make void the commandment of God, that you may keep your own tradition.”*

Hear ye ! Hear ye the words of the courageous Christ proclaiming His doctrine of brotherhood, even at the expense of the lashings of malefactors ! *“The poor shall have the gospel preached to them ;”* for neither Christ nor His Church, in the words of the great Leo, *“are so concerned with man’s spiritual welfare that they neglect his temporal good.”*

Thus, my friends, from Christ’s example, I dare pass on to the supreme authorities in the Catholic Church, Leo and Pius, the noblest pontiffs of them all ! From them every cleric gains added authority to speak on matters economic in the name of Christ and of religion.

In his letter named *“Quadragesimo Anno”* (Forty Years After) Pius XI says :

*“We lay down the principal long since clearly established by Leo XIII that it is our right and our duty to deal authoritatively with social and economic problems ..... Indeed the Church believes that it would be wrong for her to interfere without just cause in such earthly concerns ; but she*

*never can relinquish her God-given task of interposing her authority, not indeed in technical matters, for which she has neither the equipment nor the mission, but in all those that have a bearing on moral conduct.”*

This is the earthly concern of the moment—one particularly “*in defence of the poor and the weak,*” as Pius characterizes it, wherein “*Every minister of holy religion must throw into the conflict all the energy of his mind and all the strength of his endurance.*” That is the doctrine of the Catholic Church and not the doctrine of “*The Detroit Free Press.*”

This is the same economic conflict which caused the head of the Catholic Church to oppose the immoral conditions of his time when laborers were paid insufficient wages—a condition which he then termed little better than slavery.

What would Leo XIII say today when fifteen million men are idle in this country with no wages at all ?

Little better than slavery in 1891 when there was work.

Worse than slavery today when there is no work.

My friends, in a simple manner I have dared to defend the poor and the exploited ; dared to do my duty, cost what it may ! For this I gladly stand condemned by those who refuse to understand the Christ of the cross Who was crucified because He assailed the Pharisees.

If occasionally then, I have used the scourge of rhetoric to help drive out of public leadership those who have controlled the policies of poverty, of idleness, of worn-out and disgraced financialism, I have done less by far than did the patient, loving Master Who scourged the money changers from the temple, the Master Who had compassion on the multitudes, the Master Whom they crucified because the high priests of compromise framed Him with fake witnesses.

My friends, every age has its proper problem. Every age should find the Church always alert to cope with peculiar difficulties, always courageous to lead.

Thus it was that Pius remarked that “*At this moment the condition of the working population is the question of the hour and nothing can be of higher interest to all classes of the State than that it should be rightfully and reasonably solved.*”

How harmonious is this thought to the one expressed by his predecessor of 1891, namely : “*It must not be supposed that the solicitude of the Church is so occupied with the spiritual concerns of its children as to neglect their interests temporal and earthly !*”

It is for that reason that I have considered it a beautiful privilege to apply the principles of my leaders to the problems of our day—“our day”, says Pius XI, “*when it is evident that wealth is accumulated by immense power, and despotic domination is concentrated in the*



*hands of a few, and that those few are frequently not the owners but only the trustees and directors of invested funds who would minister them at their own good will”— the will which dominated the activities of crap shooting bank affiliates and their hide-out holding companies.*

This is my commission. These are but suggestions from the leader of the flock.

If I be a demagogue, so must be Leo and Pius. Whatever I am, I am not important. But my doctrine is of paramount importance.

Briefly, then, this is a struggle between right and wrong ; between worn-out capitalism and Christian democracy ; between threatened Communism and distributive justice.

The only answer for our economic salvation is to oust the money changers from the temple of God and within its hallowed precincts to re-establish the virtues of Christian morality.

This, I swear to God, has motivated my attack on the money changers, by name, if you will ; by specific activity, if you please, because they were hidden behind the pages of purchased propaganda and meretricious publicity where the uninformed citizen could not discern them.

Thus, the unpleasant task devolved upon me to make mention of “*The Detroit Free Press*” and its banker-publisher, as obstacles in the way of sound banking.

The penalty for doing this was obvious. I could expect little less than was received by the prophet Isaias who was sawed in two for having disclosed the wickedness of King Manasses—sawed in two, to destroy the doctrine that I preached ; sawed in two, so that the Manasses of journalism could survive !

And so I return to my indictment of the gambling company and of the Detroit Bankers Company.

As for the affiliate of the Detroit Bankers Company, let me read for you an astounding criticism of it made by Senator Carter Glass. The Senator records the following officially :

*“I learned that one of the most distinguished lawyers at the American bar, at one time president of the American Bar Association, Solicitor General of the United States under President Taft, had given an exhaustive, searching opinion as to the legality of national bank affiliates. I have read the opinion. Although not a lawyer, I venture to pronounce it a legal classic, searching and sweeping. The opinion is, in effect, an unmistakable declaration that national bank affiliates are absolutely illegal, that they contravene the national bank act, that the parent bank contravenes the national charter, and the affiliate in many instances the*

*State statute and the charter of the State from which it derives its existence. Court opinion after court opinion of both inferior courts and the Supreme Court of the United States are cited.*

*“No action was ever taken under this tremendously important opinion of the Solicitor General of the United States. Not only was no action taken, but it is within the confines of fact to say that the opinion was suppressed ; and few things have ever happened in this country that better illustrate the power and the blandishments of inordinate wealth, because the opinion dealt with institutions and individuals who had accumulated inordinate wealth. Not only did the Attorney General at that time fail to act, but another Attorney General, some years afterwards, elevated to a place of even higher distinction, declined to permit the opinion to be made public.”*

I said that holding companies made it possible to cheat the widow, to rob the orphan and depress the poor while they enabled the artful dodger of high finance to escape the law.

Here are facts to substantiate this unthinkable assertion.

First : The Detroit Bankers Company in its series of reports to the stockholders failed to disclose by the balance sheets included therein the true statements of its capital structure.

In 1930 \$8,300,000 of capital issued was concealed.

A serious statement ! I have proof for it.

In 1931 \$6,100,000 of capital issued was concealed.

In 1932, in the report signed by Mr. E.D. Stair, the impeccable president, \$5,601,960.00 of capital issued was not disclosed.

That, my friends, is deceit. That is falsification of the records (of which I spoke last Sunday and was called the tantamount of a liar for saying so)—records which have been handed every stockholder and copies of which I have in my possession.

Second : In this same series of reports to stockholders, the Detroit Bankers Company makes no mention of the balance sheet of the following subsidiaries or affiliates, namely,

The First Detroit Company.

The Detroit Company

The First National Company

The Assets Realization Company

The First National Building and Garage Company once owning an edifice costing millions has evidently lost the building ; for in the petition for a receiver filed March 29, 1933, the structure is not listed as an asset. If it were sold, let Mr. E. D. Stair tell us what become of the proceeds.

Third : Another subsidiary of the Detroit Bankers Company is the Detroit Trust Company, owners of thousands of shares of Detroit Bankers stock. Some was held for estates of the deceased, leaving widow and orphan protected with the penniless properties of the Detroit Bankers stock.

But the Detroit Bankers Company is not devoid of assets. They have stocks in various banks. But the majority of the banks are closed and the asset is a liability amounting to millions.

They have \$51,000.00 balance in the First National Bank, but this is slightly offset by a loan from the same bank of depositors' funds to the extent of \$3,982,664.99. They also have \$200.00 cash on hand.

The Detroit Bankers Company also have an asset of \$4,270,000.00 in a note from the Assets Realization Company, whatever that is worth.

Again I find a \$1-million note made by the Detroit Bankers Company to the First National Bank and one for \$250,000.00 to the Detroit Trust Company, given in return for the hard earned dollars of the depositor to shear up the tottering structure of the holding company.

These loans were made on collateral—collateral worth today less than \$400,000.00.

But on January 18, this year \$180,000.00 was borrowed from the Detroit Trust with no security.

In other words, the Detroit Bankers Company looted the Detroit Trust Company for \$800,000.00 and the value of the security is \$110,000.00 as appraised by competent authorities just yesterday.

Fourth : Now pause to see what the Detroit Bankers Company did to the First National Bank. On two days in January of this year the holding company borrowed from the First National Bank \$2,982,000.00 at 3 per cent interest with no security and owes an extra million secured by property worth today \$300,000.00.

Fifth : The Detroit Company, another subsidiary once a great corporation, has its capital listed today at \$1000.00. But it owns 41,211 shares of Detroit Bankers stock. How in the name of God can it meet its assessment of \$804,220.00 as double liability ?

Sixth : The First National Company is another \$1000.00 capital company. But it owns 5,465 shares of Detroit Bankers Company stock with a liability of \$109,300.00.

Seventh : The Detroit Trust Company has 71,682 shares of Detroit Bankers stock with a liability of \$1,433,640.00.

Eighth : Then comes the stockholders' list that Detroiters saw yesterday which was interspersed with hide-out names, with dummies legally owning thousands upon thousands of shares ; legally liable for hundreds of thousands of dollars that have gone forever !

Thus the roll call of every grand old name in Detroit.

With these people I deeply sympathize. They are people around whose names is woven the story of our progress, our culture and our stability ; people who unwisely permitted their fortunes to be melted in the fires of greed lighted too often by misunderstanding men !

Their estates are ruined not by the upheaval of a bloody revolution ; not by the red menace of the Communism we fear ; but by the unethical, unskilled banker—not the grand old conservative who was shelved to make place for lesser men—who, I repeat, were experts, gambling with loaded dice, with other people's money.

These are the unthinkable charges still unthinkable to any man with a life-time of character behind him—charges that are proven.

The facts and figures are furnished, first from the reports of the Detroit Bankers Company to its own stockholders—reports that the executives were too careless to check for internal contradictions. The facts and figures are furnished from the Detroit Bankers own petition for a receiver filed in the Circuit Court of the County of Wayne in the State of Michigan, Friday, March 29, 1933, No. 214,667, an official document, officially condemning the holding company as a hide-out company to anybody who cares to read it through.

This is the proof that I was dared to produce. Any person who wants a copy of this official document can obtain it at the County Clerk's office. Throughout the nation such progressive and honest news journals as "*The Detroit Times*" or "*The Detroit News*" will continue to work towards sound banking, honest banking and the return of prosperity. Dishonesty and knavery must be uncovered at any price.

The news journals of character must not forget their obligations to the public. Nor may clerics refrain from throwing into this struggle for economic freedom, the justice and charity for which Christ lived and died and the teachings of His spokesmen whose example condemn cowardly silence and plutocratic bourbonism.

Oh, there is so much to be done ! Away with our bickering ! Let the dead past bury its dead. Let's look to the future and solve the mighty problems which needs must be solved !

Behold the forced idleness which is ravishing the flower of our country's youth !

Shall that continue ?

Behold 50-million dependents who are wondering this evening where life's bare necessities can be found !

Underfed babies, ragged children, closed factories, burdened farms, empty churches, soap box Communists !

Behold what is in our midst !

Of old Christ stood weeping on a hilltop as He gazed upon the Jerusalem which He loved. Its people had fallen into the hands of a foreign foe. There was poverty because there was exploitation.

There was injustice because of gold seeking Pharisees.

There was discontent, because of lying, cowardly leadership.

Now as of then, the same Christ looking down upon both crowded city and far-flung farmlands, says to the Jerusalem of America :

*“Oh Jerusalem, Jerusalem, thou that killest the prophets and stonest them that are sent unto you, how often would I have gathered together thy children, as the hen doth gather her chickens under her wings, and thou wouldst not ?*

*“Behold, your house shall be left to you, desolate. For I say to you, you shall not see me henceforth till you say : Blessed is he that cometh in the name of the Lord.”*

Fellow countrymen, think me not bold or arrogant if I plead with you to gather under the outstretched wings of Christ's cross !

Our house must not remain desolate !

Our vision of prosperity and of Christian happiness cannot be realized until as a nation we dry the tears from the cheeks of the rejected Christ and welcome Him and His doctrines—His social justice, His economic liberty, His Christian democracy, His divine charity—to come in the name of the Lord !

Too long—much too long—have we followed the rules of error, of greed, in our mad endeavor to substitute for the laws of God and the doctrines of Christ the man-made legislation of financial slavery !

For God's sake let us think of sound men—sound in body and in soul—rather than of that fiction of sound money—sound according to some wornout formula !

Clear the park benches of the derelict !

Empty the darkened hall rooms of the disconsolate ! Open wide the factory doors !

Give us this day our daily bread—bread that is earned by the sweat of the brow !

The bread that can save America from a catastrophe !



**Father  
Coughlin  
Answers  
His Critics**





## Father Coughlin Answers His Critics Introduction

by Dr. E. R. Fields

Father Charles Edward Coughlin was one of the most influential American figures of the 1930s. He published *Social Justice* magazine with a circulation of 900,000, and 220 employees. It was larger than most daily newspapers today. He had the most popular weekly radio program of all time, with some 40 million listeners, (30% of the entire U.S. population). He lashed out against communism, financial swindles, cultural rot and the betrayal of the Roosevelt Administration. Fr. Coughlin's opposition to U.S. entry into World War II brought down Roosevelt's wrath and his paper was suppressed in April, 1942.

Coughlin was born in Canada of Irish parents on Oct. 25, 1891. At the University of Toronto he excelled in math, tutoring others. He starred in football, swimming, handball and rugby. Ordained a Catholic priest at St. Basil's Seminary he was appointed pastor of the "*Shrine of the Little Flower*" church in the city of Royal Oak, Michigan. With only 28 families the church could not make its mortgage payments of \$400 per month. Fr. Coughlin was an enthusiastic fan of the Detroit Tiger's baseball team. He became a friend of the immortal Babe Ruth and Tigers president Dick Richards, who also owned Detroit radio station WJR.

Richards hired Fr. Coughlin for \$58 a week to give a half-hour religious program. They quickly discovered that Coughlin had, "*the perfect radio voice.*" An instant hit, his program was picked up by CBS and broadcast nation-wide. Thus, he was able to raise the funds to build the first octagon church in America with the altar in the center. Outside stands a 180 foot tower with two huge images of Christ. He built a broadcasting studio on the top floor of the tower where it stands today. He soon reached millions of listeners.

On January 30, 1930, Fr. Coughlin launched his first on-the-air attack on Communism. He coined the term, "*The Red Menace*" and blasted "*the Bolsheviks and the Bankers who support them.*" His words had virility and simplicity which quickly garnered him a huge national following. In 1932 he came out in favor of the bonus bill for First World War veterans as a way of stimulating the economy and lifting America out of the depression. Coughlin testified before a Senate Committee saying: "*The veterans bonus would place instant money into the channels of commerce. Let's give human rights*



precedent over financial rights." He fought to shorten the work week from 48 hours down to 40 and was instrumental in the adoption of Social Security in 1937.

Fr. Coughlin had been a supporter of Roosevelt until the Marxist Henry Wallace was picked as Secretary of Agriculture. On March 4, 1933 Coughlin broke with Roosevelt telling his national radio audience *"We had high hopes the new day of financial independence had arrived but clouds of suspicion are darkening our hopes. Roosevelt is getting lost in his narrow confines."*

Fr. Coughlin then switched his support to Louisiana Sen. Huey Long and his "Share The Wealth" program. He wanted to back Long in his planned race for president against Roosevelt in 1936 elections. This plan was destroyed when the Jew Dr. Carl Weiss, (age 29), gunned down Huey Long in the Baton Rouge State Capitol on Sept. 8, 1935. When Fr. Coughlin received the news, he remarked, *"This is the most regrettable thing in modern history."*

Fr. Coughlin headed The National Union for Social Justice, (NUSJ). With Gerald L.K. Smith and Dr. Francis Townsend, they formed The Union Party to defeat Roosevelt in 1936. They held huge rallies supporting Rep. William Lemke for President. Coughlin addressed 30,000 people in Madison Square Garden, 150,000 in Chicago's Riverview Park and 45,000 attended the Union Party convention in Cleveland. Coughlin told a cheering crowd, *"God fearing Americans now have the opportunity to seize back control of their country. F.D.R. Stands for Franklin Double-crossing Roosevelt! Why is it that the Communist Party has endorsed Roosevelt for President? He is a liar and a betrayer. The White House lies on the rotten meat of broken promises."*

**Roosevelt's Postmaster General** Jim Farley said, *"Fr. Coughlin is the most dangerous man in America."* Coughlin charged that the Communist movement was controlled by Roosevelt appointees, Supreme Court Justice, Felix Frankfurter, Secretary of the Treasury, Henry Morgenthau, Jr, and union official David Dubinsky. All three were Jews. The controlled liberal media began accusing Fr. Coughlin of *"anti-Semitism."* (Note: FBI records since released prove that both Frankfurter and Dubinsky were indeed Communists.) Recently declassified government papers reveal that Morgenthau seriously considered indicting Fr. Coughlin for income tax evasion. However, he decided that the political repercussions of a Jewish cabinet officer prosecuting a Catholic priest would be damaging to the organized Jewish political community.

Fr. Coughlin noted that over half of the members of the Communist Party were Jews and stated: *"Anti-Christ is riding high and handsome. Meanwhile, the Jews of America have not condemned Communism. Meanwhile, our government is fostering relations with*

*Communist states. And meanwhile, the people of America are suffering from the rule of those who are opposed to our Christ."*

Fr. Coughlin was losing radio stations due to pressure from organized Jewry and Roosevelt. On Sept. 23, 1940, he made his last announcement over the air: *"I have been retired, temporarily, by those who control circumstances beyond my reach. With few exceptions, the radio station owners bowed to the will of the administration to which they are obliged for their operative licenses."* He then joined with Henry Ford and Col. Charles Lindbergh in trying to keep America out of World War II. Circulation of Social Justice was now close to one million and was sold in over 2,000 Catholic Churches, (Coughlin said that 60% of his readers were Protestants). Some 400 Irish police in New York City were members of his NUSJ.

After Pearl Harbor, Roosevelt moved quickly to crush Social Justice. On April 14, 1942, Attorney General Francis Biddle revoked Coughlin's second class mailing permit. Coughlin personally traveled to Washington to confront Biddle. The red faced Biddle stammered and did not respond as Fr. Coughlin shouted in his face, *"You are nothing but a damn coward! You should be a street cleaner. You were born a coward and you're still one!"*

Fr. Coughlin retired to pastor his Church of the Little Flower and did not re-enter politics. In 1966, in celebration of his 50th year as a priest, Cardinal Cushing hailed him as, *"a man ahead of his time, a giant of his generation among the committed priests of America."*

Later Fr. Coughlin was asked about his life's work and replied, *"If I had to do it all over again, I would do it the same way!"* Fr. Coughlin passed away in his sleep on Oct. 27, 1979 at age 88. Coughlin was truly a giant among men. He fought for the rights of the common man. He had drive, charisma, strength and the largest personal following of any political figure in American history. He feared no man. He gave the people a program to better their lives and hope for the future. He once said, *"It is never too late to act for righteousness!"*

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**(Editor's Note:** This book was compiled by E. Perrin Schwartz, editor of Fr. Coughlin's magazine, *"Social Justice."* Fr. Coughlin oversaw its research and approved these documents which support his statements regarding the activity of the organized Jewish community and its collusion with the Communist Party.)

**First Published** by Social Justice, 1940.

**Second Publication** by Dr. James K. Warner, 1993

**Third Publication** by THE TRUTH AT LAST, 1997





Father Charles Coughlin delivers a fiery address to a packed hall in Cleveland, Ohio on July 16, 1936 at the convention of The Union Party.



Madison Square Garden, May 22, 1935, Father Coughlin addresses a mass meeting of his *National Union for Social Justice* with over 30,000 people attending.

## Father Coughlin Answers His Critics

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NOVEMBER 20, 1938

The title of this chapter is a date which marks the beginning of a series of events out of which grew the charges that Father Coughlin is an anti-Semite, a pro-Nazi and a falsifier of documents.

On that date he broadcast over a chain of radio stations an address entitled *Persecution—Jewish and Christian*. The occasion for the address was the wide publicity given to the atrocities perpetrated in the name of the Hitler Government of Germany against Catholics, Protestants and, particularly, Jews, resident under the jurisdiction of the Third Reich.

These atrocities culminated in a \$400,000,000 fine levied against the Jews resident in Germany.

The civilized world, shocked as a result of this and previous persecutions, voiced its protest.

With other public speakers, Father Coughlin raised his voice in the memorable address of November 20, 1938. Among other things, he recorded his sympathy for the Jews and his opposition to all forms of persecution; he recollected that while persecution of Christians had been practiced in Russia, Mexico and Spain under Communist régimes, no such publicity and sympathy had been aroused for them, although their sufferings were more extensive, more cruel and more devastating than those the Nazis were responsible for in Germany.

Regretting that this had been so, Father Coughlin called upon all religious Jews and Christians to band together to exterminate the spirit of persecution from the world—Communist persecution as well as Nazi persecution.

That point is significant; for if he were an anti-Semite, he would not have invited the cooperation of religious Jews nor would he have protested against the persecution of all Jews.

In his series of addresses beginning with November 20, 1938, Father Coughlin reminded his audience that Naziism was a defense mechanism against Communism. But he characterized it as a "stench" and was careful not only to avoid praising it but to condemn it.

In fact, Father Coughlin, a priest in good standing with his Church and functioning as pastor of the Shrine of the Little Flower, could not and would not be tolerated were he an advocate of Naziism. Nor could his writings (and the speech of November

20, 1938 was published) have been circulated without the knowledge of his lawful superiors, as every Catholic knows and as every reader should know.

It is not necessary, at this point, to substantiate the statement that Naziism was conceived as a defense mechanism against Communism. Suffice it to say that though this latter evil invited opposition because of its assault against religion, property, liberty and society in general, nevertheless, its opponents in Germany, under the banner of the Swastika, were content to fight evil with evil.

In his November 20, 1938 address, and elsewhere, Father Coughlin reminded his audience that Nazis blamed the rise of Communism on Jews. He quoted lists of names of Jews prominent in Communism, which lists, he indicated, the Nazis had distributed throughout Germany. Moreover, he quoted a *British White Paper* and *The American Hebrew* magazine as corroborating evidence to indicate that Jews had played a prominent part in the affairs of Communism.

And for what purpose? To confirm his contention that, in order to nullify the advertised relationship between Jewry and Communism, religious Jews should join with God-fearing Christians in opposing Communism.

Following this November 20, 1938 address, official Jewry did not join openly with Christians in opposing Communism. Instead, Father Coughlin became the target of a vicious attack. He was referred to as an anti-Semite in the pulpit, the press and over the radio.

Immediately following, the use of certain radio stations which he enjoyed was denied him. When it became known that these canceled stations were either owned or controlled by Jews the entire affair became a national question involving the Jews and Father Coughlin.

Before concluding this chapter, it is well to append certain quotations from Father Coughlin's November 20, 1938 address to substantiate some of the assertions made above.

(a) "Whatever be the reason for this unparalleled publicity, we are thankful to God that it has happened; for it gives both Jew and Gentile, Christian and non-Christian, an opportunity to write a new precedent, to establish a new tradition—a precedent and tradition by which we will all unite with all our facilities for all time to oppose all persecution wherever it may originate.

"The Jew has challenged the Christian for his sympathy and cooperation. In turn the Christian challenges the Jew for his. . .



(b) "It is the belief, be it well or ill-founded, of the present German Government, not mine, that Jews—not as religionists but as nationals only—were responsible for the economic and social ills suffered by the Fatherland since the signing of the Treaty of Versailles. . . .

(c) "Uncontradictable evidence gleaned from the writings and the policies of Lenin, proved indisputably that the Government of the Soviet Republics was predominantly anti-Christian and definitely anti-national.

"More than that, the 1917 list of those who, with Lenin, ruled many of the activities of the Soviet Republic, disclosed that of the 25 quasi-cabinet members, 24 of them were atheistic Jews, whose names I have before me. . . .

(d) "Nor do I speak these words to defend the atheistic, international Jews and Gentiles throughout the world who follow the footsteps of Lenin and advocate the principles of Marx. I do ask, however, an insane world to distinguish between the innocent Jew and the guilty Jew as much as I would ask the same insane world to distinguish between the innocent Gentile and the guilty Gentile. . . .

(e) "I ask you: Should not all good men—Jew and Gentile, Catholic and Protestant, Christian and non-Christian—coordinate their forces to restore sanity, peace and justice to an era which for its ferocity, its barbarism and its hatred has outstripped the Diocletians, the Neros and Torquemadas of old? . . .

(f) "Persecution is an injustice, wherever it exists. Today's persecution was born from the loins of yesterday's persecution. Thus, if Naziism, a persecutor of Jew and Catholic and Protestant, is a defense mechanism against Communism, be assured that Communism, another persecutor, was a defense mechanism against the greed of the money changers, who persecuted and pilloried the teeming populations of Europe. . . .

(g) "Therefore, I say to the good Jews of America, be not indulgent with the irreligious, atheistic Jews and Gentiles who promote the cause of persecution in the land of the Communists; the same ones who promote the cause of atheism in America. Yes, be not lenient with your high financiers and politicians who assisted at the birth of the only political, social and economic system in all civilization that adopted atheism as its religion, internationalism as its patriotism and slavery as its liberty. . . .

(h) "My fellow citizens, I am not ignorant of Jewish history. I know its glories. I am acquainted with its glorious sons. I am aware of the keen intellectuality which has characterized its progress in commerce, in finance, in all the arts and sciences and, particularly, in the field of communications.

(i) "But I am also aware that every nation from time immemorial has lifted in its hand the lash of persecution to strike the back of Jewry. From Nineveh to Berlin; from ancient to modern times, a constant moan of suffering has been raised from the Weeping Wall whose structure now has encompassed the world. . . .

(j) "By all means, let us have courage to compound our sympathy not only from the tears of Jews but also from the blood of Christians—(c.) 600,000 Jews whom no government official in Germany has yet sentenced to death, and

(c.) 25-million Christians, at least, whose lives have been snuffed out, whose property has been confiscated in its entirety and whose altars and Christ have been desecrated since 1917 without official protest from America—America that has extended and still extends the right hand of recognition to the murderers themselves.

(k) "Let us distil this sympathy into a program of peace—peace, the result of order; order, the offspring of law; and law, the child of justice.

"Thanks be to God, both the radio and the press at length have become attuned to the wails of sorrow arising from Jewish persecution!

"May these notes rise in rapid crescendo until a symphony, not of hate but of love, not of protest but of determination, fills the heart of every human being in America.

"May every honest Jew, every God-fearing Jew, as well as every honest and God-fearing Christian, find themselves cooperating in this common objective.

"Gentiles must repudiate the excesses of Naziism. But Jews and Gentiles must repudiate the existence of Communism from which Naziism springs."

The above quotations show that Father Coughlin considered Naziism a defense mechanism—an immoral one—against Communism; that he carefully distinguished between religious Jews and Gentiles and irreligious Jews and Gentiles by beseeching the former to league together to put down all persecution; that the Nazi Government had circulated and used formidable lists of names of Jews whom they identified with Communism.

Incidentally, be it recognized that the Jews in the United States do not enjoy a total solidarity. While they are co-racials, they are not co-religionists because many of them, as in the case of Gentiles, have abandoned religion. Some of them are Zionists who believe in the restoration of Palestine to Jewry; others are opposed to this policy. Some of them are Orthodox Jews, follow-



ing, more or less, the ancient tenets of their age-old religion; others are Reformed Jews, having accepted beliefs and practices cut to a different pattern. Moreover, as in the case of Gentiles, many of them are Marxians, devoted to the cause of Soviet Russia, of Loyalist Spain, of Communist Mexico. These latter gather, unfortunately, in organizations which, though misrepresenting the best that is in Jewry, invite criticism upon the entire race because of their presumption to represent their entire race.

Father Coughlin's position towards all these Jews is sound. In his address broadcast December 11, 1938, he said:

"The best answer that Jewry can give me or America is not a passionate denial that Jews, far beyond their proportion of population, are not interested in furthering Communism. Official action will speak more eloquently than ten thousand denials.

"In asking the Gentiles of America to oppose the Gentiles of the Nazi party in Germany, Jews are not seeking anything that is unreasonable.

"On the other hand, when the Gentiles of America ask the Jews in this country to oppose the Jews in Russia, in Spain and elsewhere who are supporting Communism to our detriment and to the detriment of the Christians living abroad, we are asking nothing unreasonable.

"There comes a time in the life of every individual as well as in the life of every nation when righteousness and justice must take precedence over the bonds of race and blood."

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## CHAPTER II

### THE JEWISH PEOPLE'S COMMITTEE

In the early days of February, 1940, it was nationally advertised in the press and on the radio that the Department of Justice had marked Father Coughlin for investigation.

According to the Department of Justice, the complaints registered against the pastor of the Roman Catholic Shrine of the Little Flower originated from the Jewish People's Committee. This organization, presuming to represent all the Jews in America, alleged that Father Coughlin was guilty of misusing the mails to defraud and of other crimes.

It is advantageous to study the nature, the composition and the leadership of the Jewish People's Committee as well as its activi-

ties in order to be in a position to judge if its officers were really interested in prosecuting a criminal or in smearing an opponent.

According to the publication known as *Jewish Life*, (published monthly by the New York State Jewish Bureau, Communist Party Vol. II, No. 11, p. 19):

"The Jewish People's Committee for United Action against Fascism and Anti-Semitism" (not against Communism and anti-Christianity "was organized in 1936 by a group of progressive and left-wing organizations." The groups originally represented in the Jewish People's Committee did not want to organize a new committee. As a result of the refusal of the American Jewish Congress and the World Jewish Congress to admit the representatives of the Jewish Section of the International Workers Order, the IWO, etc. these organizations set up the new committee . . ."

The above Jewish statement is recorded to make clear this point, namely, that the Jewish People's Committee is self-admittedly composed of the left-wing Jewish organizations in America, having been brought into existence because the representatives of these left-wing units could not gain entrance into the American Jewish Congress and the World Jewish Congress.

Although the Jewish population in the United States is estimated to be 4½-million persons, there are, according to the report delivered at the National Conference of Jewish Communists held in New York, December, 1938, approximately 400,000 members in the Jewish People's Committee. (*The Struggle Against Anti-Semitism*, B. J. Soltin, p. 48.)

Heading the Jewish People's Committee are William Weiner and Ben Gold, as sponsors, together with John L. Spivak and A. A. Heller.

What affiliations had William Weiner? Among them he was listed as third in command, following W. Z. Foster and Earl Browder, of the Communist Party in the United States of America.

Ben Gold was a member of the National Committee of the Friends of the Soviet Union in 1934.

John L. Spivak, widely advertised as the ace reporter for the *New Masses* magazine, a publication long identified with the Communist Workers Book Shop of 50 East 13th Street, New York City, consistently has exercised his talents to prove that left is right.

A. A. Heller, to mention but one of his activities, served as second in command for the American Friends of the Soviet Union with offices at 461 Fourth Avenue, New York City.

It is interesting to trace the origin of the Jewish People's Committee from Jewish records. This assembly of leftists is recognized in the following statement taken from the report de-



livered at the *National Conference of Jewish Communists* held in New York in December, 1938. From the text of their report the following is quoted:

"Two years ago, we," (Jewish Communists) "were still very much isolated from the Jewish masses and had no say in Jewish life. Now the situation is much different. *Our word is listened to by hundreds of thousands of American Jews. We have become a factor our opponents must reckon with. We may say that very little of any consequence is taking place in Jewish life in this country without the participation, or even the initiative, of the Jewish Communists.*

"In the last two years we have contributed to the building of such central bodies as the Jewish People's Committee and YKUF which number hundreds of affiliated organizations with a membership of hundreds of thousands." (*The Struggle Against Anti-Semitism*, B. J. Soltin, pp. 46-47.)

Any person, fortified with the preceding and following facts who applauds the Jewish People's Committee is applauding an organization which, though masquerading under the name of the Jews, is officered by exponents of anti-godism, anti-Americanism and anti-Christianity.

According to *Jewish Life*, November, 1938, page 13, there are 20,000 Jewish organizations in America.

Be it further known that the Jewish People's Committee, composed of 400,000 members and under the leadership of avowed Communists, presumed not only to belittle and condemn the silent organizations of American Jews, but to speak for American Jewry. The factuality of this statement is evident from the following quotation which is found on page 16 of *The Jewish Examiner* of Friday, June 30, 1939:

"The program of the Jewish People's Committee as outlined elsewhere in this issue is a realization of the fervent wishes of the American Jewish community. Its emphasis upon the necessity of unity is a notable step forward from the unrealistic, shiftless attitude that has characterized Jewish organizational life to the present day. That the Jewish People's Committee, hardly more than a year old,\* is still the only American Jewish agency that is applying itself wholeheartedly to the struggle of uniting our people in this country is a sad commentary on the condition of organized Jewish life.

"This is not to say that other groups, particularly the 'Big Four'—the B'nai B'rith, Jewish Labor Committee, American Jewish Congress and the American Jewish Committee—have not taken steps to knit the loose threads of

American Jewish life into a strong, indestructible fabric. The effort has been made before. But like the last, the General Jewish Council, they have all been wrecked by petty squabbles, personal ambitions and an utter lack of understanding of the Jewish position in the United States.

"Just about a year ago, we were hailing the formation of the General Jewish Council as an achievement of great moment to our people. A year has passed and a survey of the accomplishments of the Council reveals that it has done nothing to justify its existence. With particular reference to Father Coughlin it has carried the fight no further than the publication of some literature, which is admittedly good enough in its own right but pitifully inadequate when compared with what must be done.

"The Jewish People's Committee, with much less in its coffers, is launching the program that was expected of the General Jewish Council and its big four constituents. Its talk of Jewish unity is apparently substantial. In the Fall it will inaugurate a nation-wide broadcast to fight Coughlin on his own grounds. In addition it is mapping a broad program of activity behind which it expects to rally the entire American Jewish people. *Here at last is an organization that represents the Jewish people, that provides a program of action to meet the current emergencies.* As such it deserves the generous support of our people. The energies of American Jewry have been dissipated too long. It is time a halt were called."

The above quotation records a bold assertion—one that has not been challenged by the "Big Four"; one that originates with a leftist organization; one that presumes to speak for all Jews; one that, if fair-minded readers may judge from its negative program, is interested in destroying a Catholic priest rather than in campaigning against radicalism.

To indicate that this leftist Jewish Communist front was concerned chiefly with destroying Father Coughlin, the reader is invited to consider the following program of the Jewish People's Committee advertised in *The Jewish Examiner*: (Friday, June 30, 1939, p. 16.)

"1. A nation-wide radio campaign against anti-Semitism and Father Coughlin, which will include addresses by prominent Americans.

"2. A national petition campaign addressed to the President and Congress to outlaw racial bigotry and defamation.\*

"3. A national educational campaign exposing Father Coughlin and other anti-Semites.

\*Jewish People's Committee was organized in 1936. This inconsistency in reference to time is on the part of the editors of *The Jewish Examiner*, not on ours.—Ed. note.

\*Possibly that accounts for the 5,799 complaints made to Mr. J. Edgar Hoover's Department. Ed. Note—See Congressional Record, January 23, 1940, p. 944.



"4. The mobilization of public opinion for local ordinances to halt the violence of Coughlinites and Nazi-minded groups.

"5. Distribution of a Pledge Certificate throughout the country calling for support of race tolerance and democracy and against anti-Semitism."

Such is the publicized program of this leftist organization.

To indicate how successfully this Jewish People's Committee misrepresented itself not only as the voice of general Jewry but in other matters, let there be here recorded the litany of names of Senators and Representatives whom they claimed to be their backers:

Among the Senators are: Arthur Capper of Kansas, Morris Sheppard of Texas, Lewis B. Schwellenbach of Washington, Edward R. Burke of Nebraska, Robert A. Taft of Ohio, Henry Cabot Lodge, Jr. of Massachusetts, Robert F. Wagner of New York, Sheridan Downey of California, Frederick Van Nuys of Indiana.

Among the Representatives are: John M. Coffee of Washington, Thomas H. Cullen of New York, Vito Marcantonio of New York, Fred A. Hartley, Jr. of New Jersey and Bruce Barton of New York.\*\* (*The Jewish Examiner*, June 30, 1939, p. 16.)

To impress more clearly upon the readers the leftist origin of the charges registered against Father Coughlin and the identity of the chieftain of the Jewish People's Committee, let us return to the subject of Mr. William Weiner.

First of all, Weiner,\*\* who was chairman of the Jewish People's Committee for nearly two years, is not his natal name. As far as the government officials can ascertain his name was Welwel Warszower. At this writing he is at large on a \$10,000 bail, having been indicted by a Federal Grand Jury last December for a passport forgery.

At the time of his indictment, Assistant United States Attorney, Lester Dunigan, is reported to have described Weiner as "the rankest sort of impostor who had masqueraded as a citizen of the United States for the last twenty years under the aliases of Robert William Weiner and William Weiner and A. Benson and A. Blake."

Although this Communist testified under oath before the Dies Committee that he was born in Atlantic City, the government discovered that he first saw the light of day in Radanjenko, Russia, September 5, 1893 and emigrated to the United States in 1914. Unfortunately, he never troubled himself to become a citizen.

\*\*Do not necessarily accept this claim made by the Jewish People's Committee.

\*\*\*Re Weiner: See *New York Times*, December 5, 1939, p. 8.

When indicted on forging passports, in addition to being chairman of the Jewish People's Committee, Weiner was financial secretary of the Communist Party and officer in other leftist organizations.

This red alien, together with Messrs. Gold, Heller and Spivak, headed the Jewish People's Committee and assumed to speak for all Jews, including the rightist Jews of this nation.

The chairman of the Jewish People's Committee assumed to stir up class hatred in this country by trumping up "charges" against a Catholic priest not because, in reality, the priest was anti-Semitic, but because he was, he is, and always will be, anti-Communist.

The chairman of the Jewish People's Committee assumed to use the Department of Justice to institute criminal proceedings against Father Coughlin—a Department of a Government he is foresworn to destroy through world revolution.

The chairman of the Jewish People's Committee assumed—and with success—to inaugurate a smear campaign through the agency of a free press which carelessly headlined, in some instances, that the Jews of America were responsible for this outrageous activity—a free press that he and his kind would abolish on their coming to power.

Surely the respectable Jews and Gentiles will not tolerate such misrepresentation any longer!

Surely such a patient Department of Justice will not suffer this outrage any longer!

Surely the boasted freedom of the press will not cloak with silence such enemies of freedom any longer!

Surely fair-minded readers should set on foot an inquiry to the Department of Justice to ascertain the full truth concerning the Jewish People's Committee, together with their members, supporters and activities!

The activities of the Jewish People's Committee have been numerous—too numerous to detail. It was a fund-collecting agency. It engaged numerous speakers and, presumably, paid their expenses whether they were Jews or Gentiles. It distributed a copious amount of anti-Coughlin literature. It serviced the press with handouts. It originated amongst its followers and innocent persons a campaign of letters against Father Coughlin to the Department of Justice and other branches of government.

And all this time it masqueraded under the title of the Jewish People's Committee. Although the Jewish People's Committee notified the Jews of America of its intents and representations,



nevertheless, it has escaped public condemnation to this date from both Jew and Gentile, press and radio.

As was said by the announcer who followed Father Coughlin in his address of February 11, 1940: "Is arson being committed in the north end of town while a false alarm is being sounded in the south end?"

Is the professedly Communist-led, leftist Jewish People's Committee more interested in yelling "Stop, thief!", while its leaders and followers and fellow travelers are pilfering the liberties of America?

These facts and comments are set down not to vindicate Father Coughlin but to unmask for the readers of this book the origin, nature, leadership and activities of this radical, communistic Jewish group. (See Appendix I.)

### CHAPTER III

#### NOTES ON THE GENERAL JEWISH COUNCIL

Among the critics who took cognizance of Father Coughlin's radio addresses of November 20, 1938 and thereafter was the General Jewish Council. Early in 1939 this organization, composed of the American Jewish Committee, the B'nai B'rith, American Jewish Congress and the Jewish Labor Committee, published and distributed a booklet entitled *Father Coughlin—His "Facts" and Arguments*.

Instead of accepting the proffered invitation to join with Christians in opposing Communism, the General Jewish Council booklet was given over to controverting statements and "facts" presented by the Radio Priest in conjunction with his November 20, 1938 address; with attempting to break down the authenticity of documents employed by the pastor of the Shrine of the Little Flower; with attempting to prove that certain banker Jews played no part in the Bolshevik Revolution in Russia; with attempting to prove that Father Coughlin is a Nazi agent; with attempting to prove that Jews played an insignificant part in fostering Communism; with attempting to prove that Jews in general were persecuted under Communism; with attempting to prove that Jews officially have opposed Communism; with attempting to prove that Nazism was not a political defense mechanism against Communism; and with two or three pages intended to display the Catholic stand against anti-Semitism, and other things.

The booklet concludes with an Appendix consisting of a list of Soviet executives operating in Moscow, or from Moscow, in the

name of the U.S.S.R.

The General Jewish Council booklet was given wide circulation through the United States mails without cost to the recipient. Written in a manner that appeared to be scholarly and sincere, it found its way into the libraries of ecclesiastics and Congressmen, of attorneys and business executives.

The General Jewish Council booklet, in fine, formed the basis of a widespread and hitherto uncontradicted attack on Father Coughlin, and was considered the official Jewish answer to "Coughlinism."

*Father Coughlin—His "Facts" and Arguments* can not be neglected. It merits an answer and a refutation; for by most Americans the General Jewish Council is regarded as a reputable organization whereas the Jewish People's Committee, with its hundreds of thousands of advertised members, is looked upon with disrepute by reason of its communistic leadership and radical activities.

The General Jewish Council is composed of the B'nai B'rith, the American Jewish Committee, the American Jewish Congress and the Jewish Labor Committee, as was pointed out above.

The General Jewish Council's booklet describes B'nai B'rith as "a national fraternal society with over 75,000 members." (See Appendix II).

Ludwig Lewisohn declared at a recent B'nai B'rith banquet: "B'nai B'rith represents Jewry throughout the world."—(*B'nai B'rith* magazine, July, 1937, p. 352.) That is a significant admission.

Moreover, a spokesman for B'nai B'rith (*B'nai B'rith* magazine, June, 1938, p. 343) boasted that there are 450 local lodges of the Order.

B'nai B'rith's accomplishments were evidenced, in part, in an article appearing in the *B'nai B'rith* magazine of June, 1938, p. 365. Herein, boasting of the twenty different "experiments in unity" of Jewish Kehillahs in the United States, the following record was published:

"Elimination of Objectionable Religious Practices in Schools: In Bridgeport and Cleveland, the Councils persuaded public school officials to stop Easter and Christmas practices which had been embarrassing to the Jewish children and had found serious objection among Jewish parents who had hesitated to deal with the matter individually."

Not only is the B'nai B'rith organization interested in eliminating religion from schools. A B'nai B'rith pamphlet entitled *Three Questions Jews Must Answer*, asks: "By what right may we" (the Jewish people) "describe ourselves today as a religion?"



Preceding this intriguing question, this B'nai B'rith pamphlet prints the following:

*"But strange as is the organization of Judaism as a faith, stranger still is the relationship of Jews to their faith. There are hundreds of thousands of Jews who are unbelievers. Yet they still consider themselves Jews. What sort of a religion is it if those who neglect it still consider themselves Jews?"*

Or more curiously, two years ago certain missionaries—men of Jewish birth who were converted to Christianity and work to convert other Jews to Christianity—certain missionaries wrote to the Zionist organization demanding the right to participate in the upholding of the Jewish homeland in Palestine. Now, certainly, nobody who was once a Catholic and became a Protestant would insist upon joining the Knights of Columbus. No Protestant who became a Catholic would insist on participating in a purely Protestant endeavor. Yet, here are men who deliberately have abandoned Judaism and yet want to participate in a Jewish effort. What sort of religion is Judaism if not only those who neglect it, but those who try to convert others away from it, still consider themselves Jews? What, then, is meant when a Jew repeats the thought of the prophet Jonah and says, 'I am a Jew'? What is the relationship between Jewishness and Judaism? . . . *In the light of the peculiarities of Judaism itself, and the strange relationship of Jewish people to it, by what right may we describe ourselves today as a religion?"*

Accepting this more or less official Jewish comment at its worth, it is evident that Father Coughlin was not wrong when he distinguished religious Jews from other Jews; nor was he attacking religion in criticizing those Jews and Gentiles who were intimately interested in furthering Communism.

One suspects that not the ties of religion, but rather those of race, establish a strong unity amongst Jews, particularly when some of them are either persecuted or singled out as Jews for their unsocial behaviorisms; for if religion were the substantial tie, it would be difficult to understand how religious Jews could protect either by their silence or help with their support those of their irreligious brethren who succumbed to the sophistries of Marxism.

The American Jewish Congress, also a unit of the "Big Four", was headed by Rabbi Stephen S. Wise, who is reputed to have a definite leaning towards Marxism. One not only remembers the support he tendered to the Communists in Spain, but also the rebuke he administered to the late saintly Cardinal Hayes of New York, when that distinguished prelate pleaded prayers for the persecuted Christians in Franco's army.

The Jewish Labor Committee, a third unit of the "Big Four", was headed by the late B. Charney Vladeck, the well-known Rus-

sian-born Socialist, long since identified with the American Civil Liberties Union, the Rand School, the pro-Soviet Amalgamated Clothing Workers' Union and the manager of *The Jewish Daily Forward*, recognized as a Socialist paper.

The Jewish Labor Committee is best described by *B'nai B'rith* magazine in its April, 1934 issue in which we read:

*"With the leading Jewish Socialist organizations, large trade unions and other labor bodies represented by over 1,000 delegates, this recent conference equalled in size and resembled in character the one that was held at the outbreak of the war."\** (1915 Convention representing a half million Jewish radicals as reported in the Jewish Communal Register 1917-1918.) *"It was estimated that the delegates acted and spoke for more than a half million organized Jewish toilers and spoke for them in behalf of specific Jewish interests, but from a distinctly labor point of view . . ."*

*" . . . To show the world that we have great armies of labor is a very good thing, but to have the same world note that these hosts are largely of a radical frame of mind, is something about which we have in the past been somewhat squeamish. . . ."*

*"It is clear to us . . . that the attacks upon us' (Jews) 'of the present day are, after all, closely bound up with the general social struggle, which is gradually encircling the entire world as a conflict between capital and labor . . ."*

*"It is not the intention of Jewish labor to interfere with the constructive efforts in Jewish life carried on by other groups. On the contrary, it is our aim to strengthen and enforce every important general step through energetic and planned support'."* (*B'nai B'rith* magazine, April, 1934.)

The above quotation deserves re-reading. Bear in mind that the Jewish Labor Committee is representative of a half-million organized Jewish toilers and spoke for them in behalf of specific Jewish interests but from a distinctly labor point of view; bear in mind that it is composed of Jews *"largely of a radical frame of mind."*

## CHAPTER IV

### THE AMERICAN OFFICIAL SERVICES REPORT

From page 8 to page 25, inclusive, the authors of the General Jewish Council booklet expended considerable effort to prove that Father Coughlin misquotes documents; and, therefore, "Jewish bankers did not finance Communism in Russia."



The documents in question were the *British White Paper* and the *American Official Services Report*, both employed by the Radio Priest to substantiate his statement that the Jewish bankers did assist in financing Communism in Russia.

The General Jewish Council booklet does not deny the existence of the *British White Paper*. It does, however, repudiate the authenticity of the *American Official Services Report*.

While this chapter will concern itself, primarily, with the authenticity of the *American Official Services Report*, nevertheless, it is the appropriate place to discuss the accusation of Father Coughlin's misquoting the *British White Paper*, the original edition of which implicates Jews in general in financing Communism in Russia.

On November 20, 1938 Father Coughlin was in error when he said, relative to the *British White Paper*:

"This official paper prints the names of the Jewish bankers, Kuhn, Loeb and Company of New York City, among those who helped to finance the Russian Revolution."

He should have said that the document which contains the specific names of Jewish bankers was the *American Official Services Report*.

On reading the *British White Paper*, which was issued officially by His Britannic Majesty's Government in 1919, we find the following generic words:

"I consider that the immediate suppression of Bolshevism is the greatest issue now before the world, not even excluding the war which is still raging, and unless, as above-stated, Bolshevism is nipped in the bud immediately, it is bound to spread in one form or another over Europe and the whole world, as it is organised and worked by Jews who have no nationality, and whose one object is to destroy for their own ends the existing order of things. . . ."

On reading the *American Official Services Report*—a document divided into eight Sections—we find the following more specific words in Sections I to IV and VI to VIII as here printed:

"Section I.—In February, 1916, it was first discovered that a revolution was being fomented in Russia. It was found out that the following persons as well as the banking-house mentioned were engaged in this work of destruction:

"Jacob Schiff (Jew); Gugenheim (Jew); Max Breitung (Jew); Kuhn, Loeb & Co. (Jewish Banking-House), of

which the following are the directors: Jacob Schiff, Felix Warburg, Otto Kahn, Mortimer Schiff, S. H. Hanauer (all Jews),

"There can be no doubt that the Russian revolution, which broke out a year after the information given above had been received, was launched and fomented by distinctively Jewish influences.

"As a matter of fact, in April, 1917, Jacob Schiff made a public declaration that it was thanks to his financial help that the Russian revolution had succeeded.

"Section II.—In the spring of 1917, Jacob Schiff began to supply funds to Trotsky (Jew) to bring about the social revolution in Russia. The New York daily, *Forward*, which is a Judaeo-Bolshevik organ, gave a subscription for the same purpose.

"Through Stockholm, the Jew, Max Warburg, was likewise furnishing funds to Trotsky and Co. They were also in receipt of funds from the Westphalian-Rhineland Syndicate, which is an important Jewish enterprise, as well as from another Jew, Olaf Aschberg, of the 'Nya Banken' of Stockholm, and from Givotovsky, a Jew, whose daughter is married to Trotsky. Thus the communications were set up between the Jewish multi-millionaires and the Jewish proletarians.

"Section III.—In October, 1917, the social revolution took place in Russia, thanks to which certain Soviet organizations took over the direction of the Russian people. In these Soviets the following individuals made themselves remarkable:

Assumed Name	Real Name	Nationality
Lenin	Oulianow (Ulianoff)	Russian
Trotsky (Trotzky)	Bronstein	Jewish
Steckloff	Nakhames	Jewish
Martoff	Zederbaum	Jewish
Zinovieff	Apfelbaum	Jewish
Kameneff	Rosenfeld	Jewish
Dan	Gourevitch (Yurewitsch)	Jewish
Ganetzky	Furstenberg	Jewish
Parvus	Helpfand	Jewish
Uritzky	Padomilsky	Jewish
Larin	Lurge	Jewish
Bohrin	Nathansohn	Jewish
Martinoff	Zibar	Jewish
Bogdanoff	Zilberstein	Jewish
Garin	Garfeld	Jewish
Suchanoff	Gimel	Jewish
Kamneff	Goldmann	Jewish
Sagersky	Krochmann	Jewish
Riazanoff	Goldenbach	Jewish

\*Document No. 6, p. 6, Sir M. Findlay to Mr. Balfour.—Received September 18, 1918.



Solutzeff	Bleichmann	Jewish
Piatnitzky	Ziwin	Jewish
Axelrod	Orthodox	Jewish
Glasunoff	Schultze	Jewish
Zuricsain	Weinstein	Jewish
Lapinsky	Loewensohn	Jewish

"Section IV.—At the same time the Jew, Paul Warburg, who had been in relation with the Federal Reserve Board, was remarked to be in active contact with certain Bolshevik notabilities in the United States. This circumstance, together with other points about which information had been obtained, was the cause of his not being re-elected to the above-mentioned Committee.

"Section VI.—On the other hand, Judas Magnes, subsidized by Jacob Schiff, is in close contact with the worldwide Zionist organization, *Poale Zion*, of which he is in fact the director. The final end of this organization is to establish the international supremacy of the Jewish Labour Movement. Here again we see the connexion between the Jewish multi-millionaires and the Jewish proletarians.

"Section VII.—Scarcely had the social revolution broken out in Germany when the Jewess, Rosa Luxembourg, automatically assumed the political direction of it. One of the chief leaders of the International Bolshevik Movement was the Jew, Haase. At that time the social revolution in Germany developed along the same lines as the social revolution in Russia.

"Section VIII.—If we bear in mind the fact that the Jewish Banking-House of Kuhn, Loeb & Co. is in touch with the Westphalian-Rhineland Syndicate, German-Jewish House, and with the Brothers Lazare, Jewish House in Paris, and also with the Jewish House of Gunzburg of Petrograd, Tokio and Paris; if, in addition, we remark that all the above-mentioned Jewish Houses are in close correspondence with the Jewish House of Speyer & Co. of London, New York and Frankfort-on-the-Main, as well as with the 'Nya Banken,' Judaeo-Bolshevik establishment at Stockholm, it will be manifest that the Bolshevik movement is in a certain measure the expression of a general Jewish movement and that certain Jewish Banking-Houses are interested in the organization of this movement."\*

Be it repeated that when Father Coughlin said that the *British White Paper* contained the names of the Jewish bankers, Kuhn, Loeb and Company, of New York City, among those who helped to finance the Russian Revolution, he was mistaken. He should have said that these names were contained in the *American Official Services Report*.

\*Translation as appears in *The Mystical Body of Christ in the Modern World*, by Rev. Denis Fahey, pp. 89-91.

As a matter of fact, on December 4, 1938 in his broadcast, Father Coughlin again mistakenly attributed Section VIII of the *American Official Services Report* to the *British White Paper*.

Previous to Father Coughlin's December 4, 1938 address, he telephoned to Doctor Denis Fahey at Dublin, Ireland. In Father Coughlin's mind at the time there was the belief that the contents of the *American Official Services Report* were incorporated in the *British White Paper*; and this erroneous belief was founded upon an inaccurate reading of pages 88, 89, 90 and 91 of *The Mystical Body of Christ in the Modern World*, where Father Fahey, (as will be evident from reproductions in Appendix III) correctly quoted and distinguished the two documents in question, namely, the *British White Paper* and the *American Official Services Report*.

Although, in attributing certain contents of the *American Official Services Report* to the *British White Paper*, Father Coughlin was in error, yet it was a happy one, for it offered the occasion to pursue the thesis that Kuhn, Loeb and Company and some of the members of the firm were implicated in financing the Russian Revolution, despite their denials. These denials were published in an early edition of the *New York Times* of November 29, 1938, which subject will be dealt with more specifically in a following chapter.

Meanwhile, let us recall that from page 8 to page 25, inclusive, the General Jewish Council booklet is concerned, chiefly, with proving that Jewish bankers did not finance Communism; and this proof is rested upon the premise that Father Coughlin "misquotes documents." The argument may be condensed to this remarkable syllogism:

"Father Coughlin said that certain Jewish bankers helped to bring about Communism, resting his contention upon the *British White Paper*.

"But the *British White Paper* does not include any statement concerning Jewish bankers.

"Therefore, Jewish bankers did not participate in founding Communism."

It is unnecessary to point out the errors in this reasoning.

It is necessary, however, to discuss the authenticity of the *American Official Services Report* which the General Jewish Council booklet regards as a spurious document; for that document, if authentic, should be accepted as proof, along with other evidence, that Jewish bankers did help finance Communism.\*

\*With Father Coughlin's approval the above statements in this chapter have been set down as written.



Thus, to the task: In speaking of the *American Official Services Report*, Father Denis Fahey in his book, *The Mystical Body of Christ in the Modern World*, says:

"The chief document, treating of the financing of the Russian Revolution, is the one drawn up by the American Secret Service" (*American Official Services*) "and transmitted by the French High Commissioner to his Government. It was published by the *Documentation Catholique* of Paris on 6th March, 1920, and preceded by the following remarks: 'The authenticity of this document is guaranteed to us. With regard to its exactness of the information which it contains, the American Secret Service takes responsibility.'"

Now in Section I of this official report we read:

"... It was found out that the following persons as well as the banking-house mentioned were engaged in this work of destruction:

"Jacob Schiff (Jew); Guggenheim (Jew); Max Breitung (Jew); Kuhn, Loeb & Co. (Jewish Banking-house), of which the following are the directors: Jacob Schiff, Felix Warburg, Otto Kahn, Mortimer Schiff, S. H. Hanauer (all Jews).

"There can be no doubt that the Russian revolution, which broke out a year after the information given above had been received, was launched and fomented by distinctively Jewish influences." (*The Mystical Body of Christ in the Modern World*, by Rev. Denis Fahey, pp. 88-89.)

Here, then, was a scholarly Irish priest referring to a document (the *American Official Services Report*) whose authenticity had been guaranteed to the highly reputable organization known as the *Documentation Catholique*. Nevertheless, the General Jewish Council booklet says: "Father Coughlin did not state how or by whom the 'authenticity of his document is guaranteed,' " thereby assailing its authenticity.

Following the publication of the General Jewish Council booklet, which caused so much comment when it indicated that the *American Official Services Report* was spurious, Father Coughlin pursued the case further to satisfy himself that the document was really genuine and authentic. Thus, he obtained a copy of the *Documentation Catholique*.<sup>\*</sup> Personally, the writer of this chapter has seen and inspected in Father Coughlin's vaults an original of the *British White Paper* and the original of the *Documentation Catholique* containing the *American Official Services Report*.

Because so much controversy and confusion exist over this *American Official Services Report*, it is expedient to write at more

length of matters pertinent to it.

Let it be pointed out, for example, that during the World War days there were four Service Departments functioning in the United States. They were: (1) the Army Intelligence Service, (2) the Navy Intelligence Service, (3) the War Trade Board's Intelligence Service, and (4) the Special Intelligence Service of the State Department. Moreover, there were various divisions of these Services which had official relations with numerous bureaus of intelligence of the Allied Armies then working in America.

What, then, of Mr. Frank J. Wilson, Chief of the United States Secret Service and attached to the United States Treasury Department? Did he not deny knowledge of the document which we are discussing? He did.

After Father Coughlin broadcast to the general public that such a document existed, some interested person approached Mr. Wilson and asked him if such a document were in his files. He gave out a statement "that no such report was ever made by the United States Secret Service."

*This statement probably is true in that the United States Secret Service Bureau, of which Mr. Wilson was chief, did not issue such a report.* It is readily granted that the Secret Service Department had nothing to do with this report. It was and is known as a report of the *American Official Services*, originating outside the jurisdiction of the Treasury Department. It appears that the report which actually does exist was compiled by a special operator of the State Department.

Let us, therefore, be not confused by a similarity of names. Carefully distinguish "Secret Service" and "Official Services."

The disputed document, the *American Official Services Report*, was published by the newspaper *A Moscou* of Rostov on Don, September 23, 1919; by General Natchvolodov in *L'Empereur Nicholas et Les Juifs*; by Monsignor Jouin in *La Judeo-Maconnerie et L'Anglaise Catholique*; by H. De Vries in *Israel, Son Passe and Son Avenir*; and in the magazine *La Vieille France* in 1920.

Without inflicting upon the reader a heap of incidental scholarship, it might be recorded that the identical number and notation of the *American Official Services Report* was filed in the secret archives of the French General Staff as follows: 7-618-6 np 912 S.R. II, *Transmis Par l'Etat Major del'Armee Deuxieme Bureau*.

This Bureau was the inner circle of the French Military Intelligence composed of expert operators, saboteurs, decoders and military observers. Its membership was limited to expert and trusted operators in the regular Secret Service.

Many French persons were aware of these things. Therefore,



in 1932 when *Le Figaro* and *l'Ami Du Peuple* published the document in question, no responsible body of Jews in France intervened to challenge its authenticity.

But when Father Coughlin inculpated the Jewish bankers on the strength of the disputed report, the authors of the General Jewish Council booklet tried to exculpate them by denying the authenticity of the document.

If the Radio Priest had available time to use more documents in his broadcast, he could have used corroborative evidence concerning the financing of the Russian Bolshevik Revolution. For example, the Russian Okrana (pre-revolutionary Secret Service agency) compiled a report dated February 15, 1916, which reached the Russian High Command in the same year—a portion of which was published in A. Natchvolodov's (Lieutenant General of the Russian Imperial Army) book entitled *L'Empereur Nicholas II et Les Juifs*.

The Russian Secret Service report reads as follows:

"The Russian revolutionary party in America has certainly decided to proceed to action. Consequently outbreaks may be expected at any time. The first secret reunion destined to mark the beginning of the period of violent action took place on Monday evening, February 14, in the East Side of New York. In all, sixty-two delegates attended, of whom fifty were *veterans* of the revolution of 1905 and other fresh recruits. *Most of those were Jews*, amongst them quite a number of educated men, doctors, writers, etc. . . . There were also some professional revolutionaries in the assembly. . . . The discussions at this first reunion were devoted almost entirely to the examination of the possibility of a revolution in Russia on a big scale and to a study of the means at their disposal, seeing that the moment was most favorable. It was announced that the party had received secret information according to which the situation was entirely favorable to their plans, in view of the fact that all the preliminary arrangements for an uprising had been concluded. The only serious obstacle was that of money, but as soon as this question was raised, certain members immediately informed the assembly that that need not cause any hesitation for as soon as they would be required, large sums would be given by persons in sympathy with the movement for the liberation of the Russian people. *In this connection the name of Jacob Schiff was mentioned several times.*

"The soul of this new revolutionary movement is the German Ambassador in Washington, Count Bernstorff. Dr. Albert, the financial agent attached to the German Embassy in Washington, is manager of this revolution, just as he was manager of the revolution, which took place in Mexico. He is aided in his task by the first secretary of the German Embassy."

There stands the matter of the *American Official Services Report*.

Although Father Coughlin erroneously did attribute words found in the *American Official Services Report* to the *British White Paper*, this admitted error does not warrant the conclusion suggested by the General Jewish Council booklet, namely, that Jewish bankers did not participate in financing Communism in Russia.

Although the *American Official Services Report* was not contained in the *British White Paper*, it neither adds to nor subtracts from the historical value of these two separate, authentic documents which are of ultimate importance whether they are combined or separated. The *British White Paper* inculpates Jews in general; the *American Official Services Report* specifies the names of the Jews.

To confirm the evidence already set down in this and other chapters relative to Jacob Schiff and Mr. Warburg, we urge you to read Appendix V entitled *Jacob Schiff, Warburg and Bolshevism*.

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## CHAPTER V

### THE BRITISH WHITE PAPER'S TESTIMONY

When the authors of the General Jewish Council booklet expended so much effort to disparage the authenticity of the *American Official Services Report*, possibly there was a dual reason for so doing. First, to create the impression that Father Coughlin was *manufacturing* evidence; and second, to minimize the importance of the *British White Paper*.

Definitely, Father Coughlin did not manufacture evidence, although, we repeat, he mistakingly attributed some evidence found in the *American Official Services Report* to the *British White Paper*.

Therefore, it will be profitable, from the standpoint of polemics, to print in this chapter some of the more important statements contained in that remarkable, official, uncontested British document which hitherto was not given much publicity.

Before proceeding, however, may we urge the readers to inspect the article relative to the *British White Paper* printed in Appendix VI. Hence, to the point:

The *British White Paper*, Russia, No. 1 (1919) is a collection



of Reports on Bolshevism in Russia. The *British White Paper* was presented by command of His Majesty George V, 1919 (April) to the British Parliament.

In less than three weeks after it was published, the original *British White Paper* was withdrawn from circulation and an abridged edition of the *British White Paper* substituted. The public was then informed that the original, unabridged edition was out of print. As stated previously, Father Coughlin possesses a copy of the original; and from that we shall quote.

The *Foreword* to this official publication indicates the nature of the material contained within the *British White Paper*. It reads as follows:

"The following collection of reports from His Majesty's official representatives in Russia, from other British subjects who have recently returned from that country, and from independent witnesses of various nationalities, covers the period of the Bolshevik régime from the summer of 1918 to the present date. They are issued in accordance with a decision of the War Cabinet in January last. They are unaccompanied by anything in the nature either of comment or introduction, since they speak for themselves in the picture which they present of the principles and methods of Bolshevik rule, the appalling incidents by which it has been accompanied, the economic consequences which have flowed from it, and the almost incalculable misery which it has produced."

Be it observed that the authors of the General Jewish Council booklet reprint the title page of the original *British White Paper* but do not distinguish between the abridged edition and the unabridged edition; and they do not submit the reasons for the suppression of certain parts in the abridged edition which are found in the unabridged edition—parts which are very evidentiary to the main discussion, namely, that Jews played an important part in factualizing Bolshevism in Russia.

Thus, we will submit passages from the original *British White Paper* which will substantiate Father Coughlin's statement that atheistic and irreligious Jews were prominent among the leaders of the Communist Revolution in Russia.

1.\*

"Sir E. Howard to Mr. Balfour.—(Received August 20, 1918.)

"Following is summary of the more important points in a series of despatches:

"Stockholm, August 19, 1918.

"August 7.—I called at temporary prison and saw

Greenep, Wishaw and Jerram. They are all well-treated by their guards who are real Russians, unlike most of their leaders, who are either fanatics or Jewish adventurers like Trotsky or Radek . . ."

2.

"Sir M. Findlay to Mr. Balfour.—(Received September 18, 1918.)

"Christiania, September 17, 1918.

"Following is Report by Netherlands Minister at Petrograd, the 6th September, received here to-day, on the situation in Russia, in particular as affecting British subjects and British interests under Minister's protection:—

" . . . The danger is now so great that I feel it my duty to call the attention of the British and all other Governments to the fact that, if an end is not put to Bolshevism in Russia at once, the civilisation of the whole world will be threatened. This is not an exaggeration, but a sober matter of fact . . . I consider that the immediate suppression of Bolshevism is the greatest issue now before the world, not even excluding the war which is still raging, and unless, as above stated, Bolshevism is nipped in the bud immediately, it is bound to spread in one form or another over Europe and the whole world, as it is *organised and worked by Jews* who have no nationality, and whose one object is to destroy *for their own ends*\* the existing order of things. The only manner in which this danger could be averted would be collective action on the part of all Powers . . . I would beg that this report may be telegraphed as soon as possible in cipher in full to the British Foreign Office in view of its importance . . ."

3.

"Mr. Alston to Earl Curzon. (Received January 25, 1919.)

"Vladivostock, January 23, 1919.

"Following from High Commissioner:—

"Following statements respecting Bolsheviks in Perm and neighbourhood are taken from reports sent by His Majesty's consul at Ekaterinburg. The Omsk Government has similar information:—

"The Bolsheviks can no longer be described as a political party holding extreme Communistic view. They form relatively small privileged class which is able to terrorise the rest of the population because it has a monopoly both of arms and of food supplies. This class consists chiefly of workmen and soldiers, and included a large non-Russian element, such as Letts, Esthonians and Jews; the latter are especially numerous in higher posts. Members of this class are allowed complete licence, and commit crime against other sections of society . . ."

\*Numbers are ours and do not indicate number of the document.



"Lord Kilmarnock to Earl Curzon.

"Copenhagen, February 3, 1919.

"My Lord,

"... A French gentleman, who left Petrograd towards the end of January, has given me the following information as regards the situation . . . *The Bolsheviks comprised chiefly Jews and Germans* . . . The Russians were largely anti-Bolshevik . . ."

"General Knox to War Office.

"Omsk, February 5, 1919.

"With regard to the murder of Imperial family at Ekaterinburg, there is further evidence to show that there were two parties in the local Soviet, one which was anxious to save Imperial family, and the latter, *headed by five Jews*, two of whom were determined to have them murdered. These two Jews, by name Vainen and Safarof, went with Lenin when he made a journey across Germany. On pretext that Russian guard had stolen 70,000 roubles, they were removed from the house between the 8th and 12th. The guard were replaced by a house guard of thirteen, consisting of ten Letts and three Jews, two of whom were called Laipont and Yurowski, and one whose name is not known. The guard was commanded outside the house by a criminal called Medoyedof" (alias Medvedeff) "who had been convicted of murder and arson in 1906 and of outraging a girl of five in 1911. The prisoners were awakened at 2 A.M., and were told they must prepare for a journey. They were called down to the lower room an hour later, and Yurowski read out the sentence of the Soviet. When he had finished reading, he said, 'And so your life has come to an end.' The Emperor then said, 'I am ready.' An eye-witness who has since died, said the Empress and the two eldest daughters made the sign of the cross. The massacre was carried out with revolvers . . ."

"Rev. B. S. Lombard to Earl Curzon.

"Officers' Quarters,  
8, Rothsay Gardens,  
Bedford,  
March 23, 1919.

"My Lord,

"I beg to forward to your lordship the following details with reference to Bolshevism in Russia:—

"I have been for ten years in Russia, and have been in Petrograd through the whole of the revolution . . .

"It originated in German propaganda, *and was, and is being, carried out by international Jews* . . .

"The Results.

"All business became paralysed, shops were closed, *Jews became possessors of most of the business houses*, and horrible scenes of starvation became common in the country districts . . ."

"Mr. B. —, who has lived in Russia all his life, left Moscow on the 8th February and was interviewed at the Foreign Office on his arrival and supplied the following information:—

"... In spite of the appalling conditions prevailing everywhere, the Kremlin is well supplied with all kinds of food. A servant of the house where Mr. B. stayed had a brother in the Kremlin, and he told her that there was an abundance of ham, white bread, butter, sausages, etc.'"

"Memorandum by Mr. B.

"... An arrest is the prelude to every kind of corruption; the rich have to pay huge exactions to intermediaries, *who are usually Jews*, before they can obtain their release . . ."

"Memorandum by Mr. B.

"... At the Putilof Works anti-Semitism is growing, probably because *the food supply committees are entirely in the hands of the Jews* . . ."

It is regrettable that Father Coughlin did not have time at his disposal to read over the air the entire *British White Paper* to confirm the point that Bolshevism "*is organized and worked by Jews*"; that Bolshevism is organized and worked by Jews "*for their own ends*"; that Jews "*are especially numerous in higher posts*" of the Bolshevik party; that the Bolsheviks "*comprised chiefly Jews and Germans*"; that Bolshevism "*originated in German propaganda, and was, and is being, carried out by international Jews,*" etc.

Some of the parts contained in the original edition of the *British White Paper* were not contained in its expurgated form. And the expurgated form is the one generally referred to by Father Coughlin's opponents. Thus, the *British White Paper* (1919, April) does assist in substantiating the thesis that Jews played a prominent part in factualizing Bolshevism in Russia.



## MONSIGNOR RYAN'S TECHNIQUE

In his broadcast on Sunday, November 20, 1938, Father Coughlin stated that:

"... the 1917 list of those who, with Lenin, ruled many of the activities of the Soviet Republic, disclosed that of the 25 quasi-cabinet members, 24 of them were atheistic Jews, whose names I have before me..."

He then referred to the list of names appearing on page 29 of this book.

On December 30th the *Commonweal* magazine published an article written by the Rt. Rev. Msgr. John A. Ryan in which the Monsignor asks: "Where did he" (Father Coughlin) "get this list?"

Monsignor Ryan then proceeds to "expose" the source of Father Coughlin's information in the following words:

"In his broadcast the following Sunday, Father Coughlin answered this question by citing a volume entitled, *The Mystical Body of Christ in the Modern World*, by Reverend Denis Fahey, C.S.Sp., professor in Blackrock College, Dublin, Ireland, the book he has continued to recommend even on the cover of *Social Justice*. On page 90 of that volume will be found these twenty-five names. Where did Father Fahey get them? From a weekly paper published in London called *The Patriot*. In passing, it should be noted that the Appendices to Father Fahey's volume include three other fairly long extracts from this newspaper. Taken together, the four show that *The Patriot* is definitely anti-Semitic. Indeed, Father Fahey's book itself may fairly be put in the same category. There are numerous illustrations of this bias in the body of the book and there is Appendix V, which presents four pages from the notorious *Protocols of the Elders of Zion*. While Father Fahey admits that the *Protocols* have not been established as authentic, he denies that they have been proved forgeries.

"To return to the precious list of twenty-five: where did *The Patriot* get it? Purportedly from the issue of March 6, 1920, of the *Documentation Catholique* of Paris, a publication whose statements, of course, have not the authority of the Church. Where did this French journal get it? From an alleged report made by the American Secret Service to the French High Commissioner, says the *Documentation Catholique*.

"Here then we have the ultimate alleged source of the list. Father Coughlin quotes Father Fahey, who quotes *The Patriot*, which quotes the *Documentation Catholique*, which declares that 'the American Secret Service takes responsibility'."

So wrote Monsignor John Ryan, formerly of the Catholic University of Washington.

This book is no vehicle in which to convey personalities. Nevertheless, as a parenthetical statement, it is appropriate to inform our readers that the *Commonweal* magazine is not, as sometimes advertised, a Catholic publication as is, for example, *America*, the Jesuit magazine. Since it passed into the hands of its present owners, *Commonweal* became notorious for its support of the Communists in Spain.

As for Monsignor Ryan, it will be remembered that this venerable ecclesiastic has contributed to literature much that is praiseworthy, particularly in the field of sociology. Nevertheless, he is neither omniscient nor impeccable in his pronouncements and activities. In ecclesiastical circles, the good Monsignor's campaign for prohibition and his pronouncements on the morality of questions related thereto are well-remembered. In laical circles, it is also remembered that he was a spokesman over a national radio chain against Father Coughlin; and that these radio facilities were paid for by the Democratic Party.\*

In political circles he will be remembered as the ecclesiastic who permitted his name to appear upon the New Deal payroll.\*

These are matters of public record imprinted here to serve merely as a background against which to evaluate the present pronouncements of the well-publicized ecclesiastic who is notorious for his tirades against Father Coughlin, which tirades undoubtedly never received the imprimatur of his ecclesiastical superiors. Undoubtedly it is understood that Father Coughlin, due to the supervision which is exercised over him both in regard to his written and spoken word, could not indulge in reprisals, even if he cared to do so.

\*In a letter to the *Catholic Transcript*, Monsignor Ryan defended his radio speech of October 8, 1936 and said: "I regard this speech as one of the most effective and beneficial acts that I have ever performed in the interests of my religion and my country."

\*In a letter which he wrote to *The Tablet*, December 2, 1939 issue, Monsignor Ryan said: "My appointment to the Industrial Appeals Board was widely publicized at the beginning of August, 1934, in all the Catholic and secular papers; therefore, I assumed that all intelligent persons were aware that my salary while a member of the Board was at the rate of \$6,000 a year. This is a pretty fair remuneration but I admit that I was worth it."



And now for Monsignor Ryan's article that appeared in the *Commonweal*: To say the least, it is unscholarly, as will be pointed out. It is suspected that the authors of the General Jewish Council booklet were aware of its inaccuracies and mistakes. Unhesitatingly, however, the venerable Monsignor's testimony was accepted. Credit for its errors, likely, will be disavowed by the Jewish authors. Despite any disclaimer of responsibility for Monsignor Ryan's errors, the fact remains that the authors of the Jewish booklet share that responsibility.

Thus, in an objective manner be it re-stated that Monsignor Ryan, in his *Commonweal* article, maintains that Father Fahey (whom Father Coughlin quoted) took his "facts" originally from *The Patriot*, a London "anti-Semitic" publication.

In no place in his book did Father Fahey say that he had taken the list of Bolshevik officials, or any of his facts concerned with the *American Official Services Report*, from *The Patriot*, as the Monsignor categorically states.

When confronted with this charge, Father Fahey wrote, in a communication addressed to Father Coughlin:

"First of all, I did not represent *The Patriot* as quoting *La Documentation Catholique*. I did not know even if *The Patriot* had done so."

In these two sentences we have the solemn word of a distinguished Catholic priest on this subject—a word that no brother priest safely can contradict without proof at hand.

Having no proof, why did Monsignor Ryan invent the story that Father Fahey obtained his information from *The Patriot*, which the Monsignor classifies as an anti-Semitic publication? Simply to destroy the value of the facts by attributing them to "prejudiced" sources. That is an old trick employed by crafty men. When they are unable to disprove the factuality of evidence presented by a witness, they endeavor to discredit the character of the witness. In this case, craftiness descended to new depths in so far as the Monsignor invented an anti-Semitic (?) witness in order to convey a certain impression to unsuspecting readers.

According to his own statement, Father Fahey did not quote *The Patriot*. Definitely he gave as the source of his information (when speaking of the 1917 list of those who, with Lenin, ruled many of the activities of the Soviet Republic) the *American Official Services Report* drawn up by Americans and transmitted by the French High Commissioner to his Government. Recognize that this Report was published by *La Documentation Catholique* of Paris on March 6, 1920 and was guaranteed to that institution as an authentic document.

Moreover, Father Fahey says:

"This document was quoted in 1920 in a supplement to the paper *La Vieille France*, which added: 'All the governments of the Entente were aware of this memorandum . . .'"

At any rate, Monsignor Ryan resurrected for the benefit of the General Jewish Council a moth-worn technique which, in attempting to improve, he tore to shreds in so far as he invented a questionable (?) witness to disparage the forcefulness of irrefutable testimony.

There is a magazine known as *The Patriot*. But Father Fahey did not quote it in this instance. Why should he quote it when he had copies of the original documents supplied to him by *La Documentation Catholique* of Paris?

Fortified with the Ryan technique, the authors of the General Jewish Council booklet proceeded to employ it in another instance. They attempted to discredit Father Coughlin further, and completely, by declaring that certain other information was gathered from anti-Semitic sources. Here are the words they printed:

"The text which Father Coughlin claims to have read from the *White Paper* does exist, however, in the Nazi propaganda sheet, *World Service*, issue of February 15, 1936, and a comparison shows that Father Coughlin virtually incorporated the actual language of 'World Service' in his speech."

The *World Service*, for the readers' information, is a pro-Nazi publication.

The question is: Did Father Coughlin or did he not employ it as the source of his quotations? Positively, he did not; and the authors of the General Jewish Council booklet knew that he did not, despite their assertions to the contrary. Therefore, be it re-asserted that Father Coughlin quoted verbatim Section VIII of the *American Official Services Report* as published by *La Documentation Catholique* and as found translated in Father Fahey's book.

To prove this assertion, to the confusion of the General Jewish Council booklet, are submitted copies of the four texts involved, namely, the Report itself as published in *La Documentation Catholique*, Father Fahey's text, Father Coughlin's text, and the *World Service* text:

#### DOCUMENTATION CATHOLIQUE

"VIII—Si nous remarquons ce fait que la firme juive Kuhn Loeb et Cie est en relations avec le Syndicat westphalien rhénan, firme juive d'Allemagne, et les frères Lazare, maison juive de Paris, et aussi la maison de banque Güns-



burg, maison juive de Péetrograd, Tokio et Paris, si nous remarquons en plus que les affaires juives ci-dessus sont en étroites relations avec le maison juive Speyer et Cie de Londres, New-York et Franc-fort-sur-le-Mein, de même qu'avec 'Nya Banken,' affaire juive bolcheviste, de Stockholm, il apparaîtra que le mouvement bolcheviste, comme tel, est dans une certaine mesure l'expression d'un mouvement général juif et que certaines maisons de banque juives sont intéressées dans l'organisation de ce mouvement."

#### FATHER FAHEY'S TEXT

"Section VIII—If we bear in mind the fact that the Jewish Banking-House of Kuhn, Loeb & Co. is in touch with the Westphalian-Rhineland Syndicate, German-Jewish House, and with the Brothers Lazare, Jewish House in Paris, and also with the Jewish House of Gunzburg of Petrograd, Tokio and Paris; if, in addition, we remark that all the above-mentioned Jewish Houses are in close correspondence with the Jewish House of Speyer & Co. of London, New York and Frankfort-on-the-Main, as well as with the 'Nya Banken,' Judaeo-Bolshevik establishment at Stockholm, it will be manifest that the Bolshevik movement is in a certain measure the expression of a general Jewish movement and that certain Jewish Banking-Houses are interested in the organization of this movement."

#### FATHER COUGHLIN'S TEXT

"Section VIII of this *British White Paper*" (Father Coughlin should have said Section VIII of the *American Official Services Report*) "reads as follows: 'If we bear in mind the fact that the Jewish Banking House of Kuhn, Loeb and Co. is in touch with the Westphalian-Rhineland Syndicate, German-Jewish House; and with the Brothers Lazare, Jewish House in Paris; and also with the Jewish House of Gunzburg of Petrograd, Tokio and Paris; if in addition, we remark that all the above-mentioned Jewish Houses are in close correspondence with the Jewish House of Speyer & Co., of London, New York and Frankfort-on-the-Main, as well as with 'Nya Banken,' Judaeo-Bolshevik establishment at Stockholm, it will be manifest that the Bolshevik movement is in a certain measure the expression of a general Jewish movement, and that certain Jewish Banking Houses are interested in the organization of this movement.'"

#### WORLD SERVICE TEXT

"VII. When we bear in mind that the Jewish firm Kuhn, Loeb & Co. is in contact with the 'Rheinisch-Westfälisches Syndikat', a Jewish firm in Germany, with Lazare Bros., a Jewish banking house in Paris and also with Gunzburg, a Jewish banking concern in St. Petersburg, Paris and Tokio, and when we further ascertain that all the above-mentioned Jewish banking houses are in close relationships with the Jewish banking house of Speyer & Co. in London, New

York and Frankfort, and with the Jewish Bolshevik 'Nye Banken' in Stockholm, it appears certain that the present Bolshevik movement is more or less the expression of a general Jewish movement, and that certain Jewish banking houses are active participators in the organisation of the movement."

Evidently, the Monsignor Ryan technique of source-smearing employed by the General Jewish Council booklet authors is very weak when inspected under the clear light of recorded facts.

The examination of the four texts printed above reveals that Father Fahey has accurately translated Section VIII of the *American Official Services Report* as published by *Documentation Catholique* and that Father Coughlin has quoted this translation verbatim, with the exception that he said "*British White Paper*" instead of "*American Official Services Report*."

The markings of all texts are the same; and the wording of Father Fahey's text and Father Coughlin's text is identical. Father Coughlin declared that Father Fahey's work was the source of his information. This examination has proved the truth of his statement inasmuch as both texts are identical.

That Father Coughlin was not indebted to *World Service* is abundantly clear to the students of textual criticism. Father Coughlin quotes verbatim the translation found in Father Fahey's book, and not in one single instance does he accept the verbal differences which distinguished the translation found in *World Service*. This conclusively gives the lie to the accusation that "Father Coughlin virtually incorporated the actual language of *World Service* in his speech."

Finally, Father Fahey (therefore Father Coughlin) could not have been indebted to *World Service* since his work was published in 1935. As a matter of fact, it bears the imprimatur of the Most Reverend Bishop of Waterford and Lismore under the date of February 19, 1935.

On the other hand, the *World Service* issue quoted did not appear until February 15, 1936.

Father Fahey's text (therefore Father Coughlin's text) was in print one whole year before the *World Service* issue.

Therefore, simply on the element of time, the charge of the General Jewish Council is disproved.

As to the bad faith of the writers of the General Jewish Council booklet, the facts speak for themselves. The writers of the General Jewish Council booklet, by their own admission, had



Father Fahey's book before them as is evident; for on page 15 of the Jewish booklet the following statement is made: "The document . . . which Father Fahey identifies on page 88 of his book, *The Mystical Body of Christ in the Modern World* . . ."

By a strange irony, page 88 is the actual page on which Father Fahey introduces the *American Official Services Report*. In view of this admitted knowledge, how could the General Jewish Council so blandly have ignored the fact that Father Fahey was the source of Father Coughlin's information? The conclusion is inescapable. *The General Jewish Council knew that Father Fahey's work was the source of Father Coughlin's information.*

To smear Father Coughlin was its purpose, and to succeed in that purpose it did not hesitate to use the Ryan technique.

## CHAPTER VII

### DID JEWS PARTICIPATE IN THE BIRTH OF BOLSHEVISM?

In the previous chapter one gathers that the General Jewish Council booklet did not attempt to meet Father Coughlin's arguments so much as to belittle his sources. If the authors of the Jewish booklet, either morally or amorally, could impress the general public that Father Coughlin's sources were Nazi, then the Radio Priest's facts would be regarded as no more trustworthy than the Swastika itself.

We, the authors, believe that we have presented our case so far, proving, relative to this point, that both Monsignor Ryan and the General Jewish Council are not only inaccurate in their assertions as to Father Coughlin's sources of information, but that their motives are open to suspicion.

This chapter and those that follow will deal with information pertinent to disprove the headline appearing on page 28 of the General Jewish Council booklet, namely, "*Jews Played a Negligible Part in the Bolshevik Revolution in Russia*"—which thesis the authors of the Jewish booklet support by quoting Father Joseph N. Moody, Professor of European History at Cathedral College, New York City, and Professor Hugo Valentin, Professor of History at Upsala University in Sweden. Thus, to the point:

In Section III of the *American Official Services Report*, the authenticity of which has been guaranteed, we read the following:

"In October, 1917, the social revolution took place in Russia, thanks to which certain Soviet organizations took over the direction of the Russian people. In these Soviets the following individuals made themselves remarkable:

Assumed Name	Real Name	Nationality
Lenin	Ouilanow (Ulianoff)	Russian
Trotsky (Trotzky)	Bronstein	Jewish
Steckloff	Nakhames	Jewish
Martoff	Zederbaum	Jewish
Zinovieff	Apfelbaum	Jewish
Kameneff	Rosenfeld	Jewish
Dan	Gourevitch (Yurewitsch)	Jewish
Ganetzky	Furstenberg	Jewish
Parvus	Helpfand	Jewish
Uritzky	Padomilsky	Jewish
Larin	Lurge	Jewish
Bohrin	Nathansohn	Jewish
Martinoff	Zibar	Jewish
Bogdanoff	Zilberstein	Jewish
Garin	Garfeld	Jewish
Suchanoff	Gimel	Jewish
Kamnelff	Goldmann	Jewish
Sagersky	Krochmann	Jewish
Riazanoff	Goldenbach	Jewish
Solutzeff	Bleichmann	Jewish
Piatnitzky	Ziwin	Jewish
Axelrod	Orthodox	Jewish
Glasunoff	Schultze	Jewish
Zuriesain	Weinstein	Jewish
Lapinsky	Loewensohn	Jewish"

To confirm the assertion that Jews played a prominent part in the Bolshevik Revolution (October, 1917), it is appropriate to refer to the *Overman Report*, a United States Government document.

As far back as 1919 the United States Senate held hearings before a sub-committee of the Committee on the Judiciary, United States Senate, relative to the general subject of Bolshevik propaganda. Because Senator Lee S. Overman presided at these hearings, they are sometimes referred to as the *Overman Report*.

During these hearings Reverend Mr. Simons testified and said:

"I have a paper here which was circulated when Lenine and Trotsky were asserting themselves, in August, September, and October of 1917, giving a list of about 20 names, showing the Jewish in one column, and then the assumed Russian name in the other. That thing was considered a very dangerous document, but it was being circulated everywhere, and one copy came to me. In that document I found Apfelbaum's name, and his assumed name. Beyond that I do not know anything about Mr. Apfelbaum . . ." (*Overman*



"Senator Overman: Did you see this list of names that Mrs. Summers handed in?

"Mr. Simons: I have seen at least four different lists, and the first that came out I have in my possession here. This came out about August, 1917, and was widely circulated in Petrograd and Moscow (reading):

*Real Name*

1. Chernoff	Von Gutmann.
2. Trotsky	Bronstein.
3. Martoff	Zederbaum.
4. Kamkoff	Katz.
5. Meshkoff	Goldenberg.
6. Zagorsky	Krochmal.
7. Suchanoff	Gimmer.
8. Dan	Gurvitch.
9. Parvuss	Geldfand.
10. Kradek	Sobelson.
11. Zinovyeff	Apfelbaum.
12. Stekloff	Nachamkes.
13. Larin	Lurye.
14. Ryazanoff	Goldenbach.
15. Bogdanoff	Josse.
16. Goryeff	Goldmann.
17. Zwezdin	Wanstein.
18. Lieber	Goldmann.
19. Ganezky	Furstenberg.
20. Roshal	Solomon.

"And then the last one did not change his name. That is the first list that we had." (*Overman Committee Report*, p. 142.)

The above excerpt from the *Overman Report* is used merely to confirm the information contained in the *American Official Services Report*. (See Appendix VII.)

Bear in mind that Father Coughlin maintained that the Jews played a part in the birth and development of Bolshevism. He did not at any time state that they were totally responsible for it. The part they played, he observed, was one out of proportion to the number of persons who were interested in its financing and development.

Had the authors of the Jewish booklet cared to use Jewish writers to sustain the point that "*Jews Played a Negligible Part in the Bolshevik Revolution*," they could have done so instead of using Father Moody and Professor Valentin. For example, the *Woburn Free Press* of London (a pen name for the Jewish Board of Deputies) published a pamphlet entitled *Bolshevism Is Not Jewish*. In it we read that:

"The largest Party opposed to the Bolsheviks was known

as the Menshevik Party, which included many Jews whose opinions were based on Social Democracy and bitterly opposed to the anti-democratic principles of Bolshevism."

The General Jewish Council, however, thought it more expedient to use as a witness the Reverend Father Moody of New York. But we are content to accept argumentation, apparently more convincing, from the Jewish source and analyze its validity—particularly since it rests upon the distinction between Bolshevik and Menshevik.

In October, 1938, the *London Free Press* analyzed the above statements—in fact, the entire *Woburn Free Press* pamphlet—and satisfactorily destroyed this contention.

What is the difference between a Bolshevik and a Menshevik?

A Congress of the Russian Social Democratic Party was held in London in one of the early years of this century and a split arose in the ranks of its members over the wording of Paragraph 1 of the rules of the party. Lenin proposed that the article should read:

"Anyone is a member of the party who participates in the organization of the party."

Martoff introduced a counter-proposal which read:

"Anyone working under the supervision of the party is a member of the party."

In the voting which followed upon Lenin's proposition and Martoff's counter-proposal Lenin's proposition carried the delegates by a few votes. From that day forth the followers of Lenin were called "majoritarians" (Bolsheviks); while those who followed Martoff were called "minoritarians" (Mensheviks). (*London Free Press*, October, 1936.)

The *London Free Press* continues:

"Thus the difference between a Menshevik and a Bolshevik is a mere matter of hair splitting over the qualifications of party members and the two parties, in all the essentials of revolutionary propaganda, were inspired by the same aims. Thus the whole of the side-tracking insinuation of the *Woburn Press* pamphlet disappears into nothing on the most casual investigation."

Again the *Woburn Free Press* adds:

"Among the fiercest opponents of Bolshevism was the general League of Jewish Workers called the Bund."

Both Dr. Moody and Dr. Valentin virtually voice this substantial error and thus preserve an historical inaccuracy.

To this statement the writer of the *London Free Press* article replies:



"The facts are that the Bund had joined the Mensheviks in 1906; as the Provisional Government had granted the Jews full emancipation and as the Bund had many members who were small capitalists, the Bund as such, in the spring of 1917, opposed the Bolsheviks. During the summer of 1917 large numbers of intellectual and proletarian members left the Bund and joined the Bolsheviks. In 1920, the Bund joined the Russian Communist Party."

Despite Reverend Father Moody's and Professor Hugo Valentin's contention that Jews played a negligible part in the Bolshevik Revolution, let us submit further evidence as to the incorrectness of the General Jewish Council's thesis.

Accordingly, we quote the eminent Jew, Angelo Rappoport, the author of a book entitled *Pioneers of the Russian Revolution*. On page 252 he says:

"The members of the Bund (General Union of Jewish Workingmen) have never hesitated to show an example of self-sacrifice to the fighters for freedom. They indeed deserve the appellation of the pioneers of the Russian revolution."

And, to confirm our contention, let us oppose the testimony of the world-famous Jesuit magazine, together with its world-famous students, to the testimony of Father Moody and Professor Valentin.

According to *The Civiltà Cattolica* (Jesuit publication) in its May, 1928 issue, (p. 342) we read:

"It is without reason that the *Univers Israelite* attempts to prove that the Jews of Russia did not create Bolshevism but only Menshevism . . . vain efforts . . . for it is certain that Menshevism was only a step and a decisive step towards Bolshevism."\*

According to *Tsarisme et Revolution* by A. de Goulévitch, (pp. 275-276, Paris, 1931) we read:

"Some persons have opposed the February revolution (1917) known also as the Kerensky revolution to the October revolution, or to the final establishment of Bolshevism. Synthetically examined, these two events which some have distinguished from each other, are one and the same historical phenomenon. Their distinction is the effect of a tragic illusion that indicates a peculiar and regrettable ignorance of things . . . One cannot insist too much on the unity of the movement of insurrection and on the unity of revolution. The triumph of Bolshevism in Russia was the fatal and inevitable consequence of the fall of Czarism, the logical result of the 'February revolution,' financed by the league of all the enemies of Russia and achieved by the *Social-Democrats* . . . aided in this task by the other opposition parties that followed their leadership and thus brought about their

own ruin as well as that of their country."

This last quotation, confirming *Civiltà Cattolica*, as is evident, virtually identifies the Kerensky Revolution in the spring of 1917 with the final Bolshevik Revolution in the autumn of the same year. Every student knows the difference between these two revolutions. But many persons do not know that one was only preparatory for the other.

That there was an association between the two, we repeat, is known to competent students of history. In the spring revolution of 1917 conducted under Kerensky, Lwoff and Milioukoff, we find these three men rising to power.

Milioukoff, acting for the Provisional Government, was the gentleman who succeeded in persuading high officials in the British Government of the necessity of freeing Trotsky, who was arrested at Halifax, Canada (See *Le Russie Sous les Juifs*, pp. 34 and 35, quoting Sir George Buchanan, British Minister to Russia.)

The revolution which forced Russia to withdraw from the World War and to conclude the ignominious peace of Brest-Litovsk was planned and executed by foreign agents (Lenin, Trotsky, Asev, Parvus, Zinoviev, Kamenev) and the emigrés whom Lenin brought with him from Switzerland and Trotsky from America.

We owe a great debt to Mr. Victor Marsden, Russian correspondent of the *Morning Post* of London, who was present in Russia at the time of the Bolshevik Revolution (and who is universally recognized as an authority on the Revolution), for his authentic list of the chief Bolshevik officials in the early days. We refer the reader to Appendix VIII.

The General Jewish Council maintained that Jews played a negligible part in the Bolshevik Revolution in Russia; it recommends that Father Coughlin should have consulted a book entitled *Documents of Russian History, 1914-1917* by Professor Frank Alfred Golder, for an authentic list of the official cabinet members of the Lenin Government; and adds that only two of the names on Father Coughlin's "Nazi list" are contained in the list submitted by Professor Golder.

Now Professor Golder openly admits, and the General Jewish Council booklet so states, that he is dealing only with the years 1914 to 1917. But in a communication addressed to the Commissar of Foreign Affairs dated January 12, 1918, the German Government ordered the president of the Council to insist on the election of the following candidates to the Central Executive Committee which was to be reelected: Trotsky, Lenin, Zinovieff,



Kameneff, Joffe, Sverdlov, Lunacharsky, Kollantai, Fabrizius, Martov, Steklov, Golman, Frunze, Lander, Milk, Preobrajenski, Sollers, Studer, Golberg, Avanesov, Volodarsky, Raskolnikov, Stuchka, Peters and Neubut. (*Sisson Report* p. 8, Doc. 7.)

Of course the General Jewish Council failed to print this authentic list of Russia's real leaders. Naturally this document would not be found in the authoritative work to which Father Coughlin was referred, since the book covered only the years 1914 to 1917.

Quoting the General Jewish Council booklet, page 31, we read:

"Referring to the alleged present-day domination of Soviet Russia by Jews, Father Coughlin said in his broadcast of November 20, 1938: 'It was increased year by year--and particularly in 1935, when the official disclosure made manifest that the central committee of the Communist party operating in Russia consisted of 59 members, among whom were 56 Jews; and that the three remaining non-Jews were married to Jewesses. The litany of these names, too long to read to a radio audience, also will be printed in a pamphlet for distribution to all who request it.'

"What 'official disclosure' he refers to he did not state. However, in his speech of November 27th, it appears that he was quoting from *The Mystical Body of Christ in the Modern World*.

"An examination of the names of those at the head of the Russian Government in 1935, published in *The Statesman's Year-Book* for 1935 (Macmillan & Company, Ltd. London), a standard reference book, shows that only seven of the 59 names published by Father Coughlin appear therein. Of the names on the official list only six are Jews."

While the General Jewish Council booklet said: "... it appears that he" (Father Coughlin) "was quoting from *The Mystical Body of Christ in the Modern World*," it is on record that the Radio Priest said he was using a Nazi list; and he said this simply to indicate that the Nazis were concerned with identifying Jews with Communism. While we appreciate that the authors of the General Jewish Council booklet find it difficult to accept as absolutely accurate the list published by the Nazis, we refer them to a reliable French book which lists the names of Jews prominent in Communism; and this French book entitled *Les Juifs en U.R.S.S.* published by *Les Nouvelles Editions Nationales*, 27 Rue des Petits-Champs, Paris, can not be discredited by a mere gesture.

This authentic French list contains the names of 54 members of the Comité Central Polit Bureau of the Communist Party, a committee which frames the policies of the Soviet Government, the

Russian Communist Party and the Communist International.

Of these 54, 51 certainly are Jews, 2 are married to Jews and 1, for the sake of argument (Josef Stalin) is regarded as a Georgian.

The General Jewish Council booklet, in attempting to controvert Father Coughlin, upheld the thesis that Jews played a negligible part in the Bolshevik Revolution in Russia. A further attempt was made to dissociate the spring revolution from the autumn revolution of 1917. And a final attempt was made to discredit the list of 59 names of the men, 54 of whom were members of Comité Central Polit Bureau of the Communist Party. This attempt was executed by the authors of the General Jewish Council booklet on page 31 in words printed above and which we repeat:

"An examination of the names of those at the head of the Russian Government in 1935, published in *The Statesman's Year-Book* for 1935 (Macmillan & Company, Ltd., London), a standard reference book, shows that only seven of the fifty-nine names published by Father Coughlin appear therein. Of the names on the official list only six are Jews."

As will be evident from the quotation in which Father Coughlin said he was giving a list of the members of "the Central Comité of the Communist Party operating in Russia," the authors of the General Jewish Council booklet deliberately deceived their readers by publishing a list of the "chairmen of the Union Central Executive Committee and of the Union Council of People's Commissars," which lists have absolutely no resemblance to the list of the members of the Central Comité of the Polit Bureau of the Communist Party. Polemics do not permit us to proceed beyond that statement of fact—a fact which speaks for itself.

Further testimony germane to this chapter is available in the Appendix.

## CHAPTER VIII

### THE AMERICAN HEBREW DISPUTE

At this juncture it is well to handle the dispute which arose over Father Coughlin's quotation from *The American Hebrew* magazine.

The authors of the General Jewish Council booklet again accuse the Radio Priest of falsifying the record when he substituted



the words "*the Russian-Jewish Revolution*" for the word "*achievement*."

Secondly, the authors of the General Jewish Council booklet say that *The American Hebrew* magazine article in question did not refer to the second Russian Revolution in October of 1917 but solely to the spring revolution—the Kerensky Revolution of that same year.

Having read the previous chapter wherein world famous scholars like Marsden together with editors such as those of the *Civiltà Cattolica* identify the two revolutions, we are able to treat of this disputed passage.

The passage in question is a quotation used by Father Coughlin from an article written by Svetozar Tonjorov entitled *Jews in World Reconstruction*. The pertinent passage reads in Father Coughlin's officially published text as follows:

"The achievement (the Russian-Jewish Revolution) destined to figure in history as the overshadowing result of the World War, was largely the outcome of Jewish thinking, of Jewish discontent, of Jewish effort to reconstruct."

The authors of the General Jewish Council booklet argue, we repeat, that the above quotation conveyed a meaning not intended by Mr. Tonjorov; that it referred to the springtime revolution in 1917 under Kerensky and not to the autumn revolution—the Bolshevik Revolution which followed in the same year.

And, now, to the discussion:

Be it noted that in Father Coughlin's printed address the words "*the Russian-Jewish Revolution*" appeared in parenthesis. They were Father Coughlin's words. They were used to clarify the preceding words of the text which otherwise would not have been understandable. The preceding words were "*The achievement*."

According to the critics, the words "*The achievement*" refer only to the Kerensky Revolution; according to Father Coughlin, they refer to the entire revolution, including both the Kerensky Revolution and the Lenin Revolution. Therefore, it is pertinent to print a sufficient portion of the text of Mr. Tonjorov's *American Hebrew* article to permit the reader to judge for himself. And the reader will note that while *The American Hebrew* contributor characterizes the Bolshevik movement as "*neither polite nor tolerant*," he also says: "... Force was needed to clear the Russian ground of the accumulated abuses of centuries. While it was sweeping away the obstacles to freedom, the *Bolshevist broom* swept away many useful and desirable things..." (p. 434) That sentence alone is a very revealing admission.

Here, however, is *The American Hebrew* article for the reader's judgment and consideration:

"Out of the economic chaos, the discontent—and it was a legitimate discontent, be it noted—of the Jew evolved organized capital, with its working instrumentality, the banking system.

"That was a great achievement—an achievement almost as great as the evolution of organized government out of the selfish operations of the barons and their super-baron. Gradually, in every country in the world, the government of the barons and the government of the Jewish banker effected an alliance that constituted up to the outbreak of the great war—and apparently still constitutes—the dual force that controls the destinies of nations and of individuals everywhere.

"Organized government, like organized finance, is an essential condition to the welfare of human society. The indictment against both government and finance lies in their joint rejection of the Golden Rule—in their joint attempt, successful up to the present—to ride roughshod over the rights of nations and of individuals.

"To impose rules—and especially the Golden Rule—upon this dual Niagara of force is the paramount problem of the day.

"One of the impressive phenomena of the impressive time is the revolt of the Jew against the Frankenstein which his own mind conceived and his own hands fashioned for his defence in the darkness of the middle ages. This revolt is a continued phase of the unrest that formulated through Jewish lips the Sermon on the Mount.

"The workings of this unrest are to be seen in the events that have accomplished, since the fateful year 1914, a task that looms far larger than the French Revolution—the annihilation of the most firmly entrenched, the most selfish and most reckless autocratic system in the world, the Russian Czarism.

"That achievement, destined to figure in history as the overshadowing result of the world war, was largely the outcome of Jewish thinking, of Jewish discontent, of Jewish effort to reconstruct.\*

"Even amid the mass of legends that have been transmitted to the columns of the press by men and women whose main purpose was to paint the Russian revolution in warning colors, it is possible for the discriminating mind to discern facts that terrify.

\*It was this paragraph that Father Coughlin quoted.



"The Bolshevik Movement\*\* is neither polite nor tolerant; in its initial phase it was purely destructive. Force was needed to clear the Russian ground of the accumulated abuses of centuries. While it was sweeping away the obstacles to freedom, the *Bolshevist broom* swept away many useful and desirable things. . . . (p. 434)

"The military, economic and political power which *Soviet Russia* is developing in the face of the united opposition of the rest of the world is a sign of the passing of the destructive phase of the *Lenine-Trotzky revolution*, which may also mean the passing of *Lenine and Trotzky* themselves . . .

"This rapid emergence of the Russian revolution from the destructive phase and its entrance into the constructive phase is a conspicuous expression of the constructive genius of Jewish discontent.

"What Jewish idealism and Jewish discontent have so powerfully contributed to accomplish in Russia, the same historic qualities of the Jewish mind and heart are tending to promote in other countries. It was natural that, under the stress of the political and economic torrent that swept away a firmly entrenched institution of oppression in Russia, discontent in other parts of the world should find expression in overemphasis of issues and overstatement of aims.

"Such an overshooting of the mark is inseparable from all great aims in their white heat. But, just as in Russia the first violent impulses of destruction have been succeeded in an incredibly short time by a systematic and eminently successful campaign of reconstruction, so in every country the Jewish movement to bring about a happier and more rational state of society is being modified to the requirements of actualities.

"In every country the same genius that first created Capitalism to meet a *great racial* and universal need and then revolted against its irresponsible excesses, is working to create a better state of society for *its own benefit*\* and the greater happiness of all other peoples."\*\*

There, then, is *The American Hebrew* magazine article which Father Coughlin was accused of distorting and misquoting. It was written in 1920, nearly three years following the Lenin-Communist Revolution in Russia. The author stated in proper tense and mood that "*what Jewish idealism and Jewish discontent have so powerfully contributed to accomplish in Russia, the same historic qualities of the Jewish mind and heart are tending to promote in other countries.*"

\*\*All quotations are from *The American Hebrew* magazine, September 10, 1920, *Jews in World Reconstruction*, by Svetozar Tonjorov, student of world movements; advocate of American unity, pp. 434, 507.

It is the reader's privilege to judge for himself. And it would be rash judgment were we to accuse the authors of the General Jewish Council booklet of deliberate falsification in this instance.

Consider the last paragraph in *The American Hebrew* quotation wherein we read:

"In every country the same genius that first created Capitalism to meet a *great racial* and universal need and then revolted against its irresponsible excesses is working to create a better state of society for *its own benefit* and the greater happiness of all other peoples."

Already Mr. Tonjorov claims that Jews created Capitalism; already he is cognizant that Democracy exists in America and elsewhere. Nevertheless, he says:

"In every country" (not exempting the United States) "the same genius that first created Capitalism . . . is working to create a better state of society for *its own benefit* and the greater happiness of all other peoples."

Definitely he states Jews created Capitalism; definitely he states that Jews desire to overthrow Capitalism; definitely he states that Jews wish to accomplish in other countries what they accomplished in Russia.

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## CHAPTER IX

### KUHN, LOEB AND COMPANY; THE RUSSIAN REVOLUTION AND INTERNATIONAL BANKING

In the fourth chapter of this book, as the reader recollects, the General Jewish Council booklet denied the authenticity of the *American Official Services Report*, which document specified at least one name of a member of the firm of Kuhn, Loeb and Company as having participated in financing the Russian Revolution.

In the seventh chapter, under the title, *Did Jews Participate in the Birth of Bolshevism?*, copious quotations from authoritative sources indicate that while there were two Russian Revolutions in the year 1917—one in the spring and one in the fall—the latter was but a complement to the former.

As the heading reads, this chapter will deal more specifically with matters related to the banking house of Kuhn, Loeb and Company and to their relations with the Russian Revolution.

Following the December 4, 1938 address of Father Coughlin, Mr. Elisha Walker, a member of Kuhn, Loeb and Company, and



his traveling companion, Mr. John J. Gillespie, visited Father Coughlin at his home on the evening of December 9, 1938. These gentlemen were anxious, among other things, to discover if Father Coughlin had in his possession a certain copy of the *New York Times* from which he quoted the previous Sunday. The quotation referred to was a statement issued by their firm claiming that Kuhn, Loeb and Company never had any financial relations with any Russian Government. This statement was printed as such in an early edition of the *New York Times* on November 29, 1938.

Mr. Elisha Walker said that the *New York Times* had assured him that no edition of their paper on November 29, 1938 carried the story that was quoted in the broadcast of December 4, 1938.

Both Mr. Walker and Mr. Gillespie were surprised when Father Coughlin's secretaries produced the copy of the early edition of the *New York Times* of the same date and showed them that the Kuhn, Loeb and Company official release had been printed.

As now conceded by all, the Kuhn, Loeb and Company statement actually did appear in the early edition of the *New York Times* of November 29, 1938 and did not appear in the later edition of that paper for the same day.

Now the *New York Times* in its early edition (November 29, 1938) did print the following:

"Kuhn, Loeb & Co. in a statement last night said:

"The firm of Kuhn, Loeb & Co. has never had any financial relations, or other relations, with any government in Russia, whether Czarist, Kerensky or Communist'."

The Kuhn, Loeb and Company statement continued to say that the late Jacob Schiff "had no relations with any fomenters of the Bolshevik uprising which destroyed the Kerensky government, being utterly out of sympathy with their methods and principles."

It is evident that Kuhn, Loeb and Company were greatly disturbed because Father Coughlin associated the name of that firm and the names of some of its members with the Russian Revolution.

If that fact were established it would tend to clarify the meaning of the words "international bankers." If that fact were successfully challenged it would not only harm Father Coughlin but would exonerate Kuhn, Loeb and Company.

On December 2, 1938 Kuhn, Loeb and Company sent intimidating telegrams to various radio stations denying that Kuhn, Loeb and Company helped to finance the Russian Revolution. The telegrams read as follows:

"We are informed that on November 20, 1938, you broad-

cast an address by the Reverend Charles E. Coughlin of Royal Oak, Michigan, in which it was charged that the firm of Kuhn, Loeb & Co. helped to finance the Russian Revolution and Communism. We are also informed that on the following Sunday, November 27, 1938, you broadcast another address by the same speaker in which that charge was repeated. You are hereby notified that such charge is wholly untrue. Copies of statements issued by this firm and by the United States Secret Service which appeared in the newspapers on November 29 and November 30 have been forwarded to you by registered air mail. (Sgd.) Kuhn Loeb & Co."

The statement issued by Kuhn, Loeb and Company referred to in the above telegram reads as follows:

"We desire to comment on the allegations made by the Reverend Charles E. Coughlin, of Royal Oak, Michigan, in his recent radio broadcasts and publications to the effect that the firm of Kuhn, Loeb & Co. were among those who helped to finance the Communist Revolution in Russia. Although it is the established policy of this firm to refrain from public reply to misstatements, the fact that the misstatements in question constitute an attack upon the good name of the deceased partners of our firm requires a departure from such policy.

"The firm of Kuhn, Loeb & Co. has never had any financial or other relations with any Government in Russia, whether Czarist, Kerensky or Communist.

"The Kerensky Government, established upon the fall of the Czarist Government in 1917, was, during its existence, a military ally of the United States and received loans from the United States Government. The late Jacob H. Schiff, then senior partner in this firm, at one time offered, as an individual, to subscribe to a so-called Liberty Loan of the Kerensky Government but did not, in fact, subscribe to such loan. He had no relations with any fomenters of the Bolshevik uprising which destroyed the Kerensky Government, being utterly out of sympathy with their methods and principles.

"During the great famine in Russia in 1921 and 1922, the Congress of the United States appropriated large amounts for relief in Russia. These relief funds and contributions from private individuals were distributed in Russia by Mr. Herbert Hoover. The late Felix M. Warburg, then a partner in this firm, as well as thousands of other Americans of all creeds and shades of opinion, contributed liberally, as individuals, to such Russian relief funds, and to the establishment of farm settlements in Russia.

"A letter was recently addressed by one of the members of



our firm to Father Coughlin, following the first appearance of these charges in his magazine, calling his attention to their falsity. Father Coughlin has nevertheless elected to disregard the facts and has repeated his misstatements in his two last broadcasts.

"The fact is that neither the firm of Kuhn, Loeb & Co. nor any of its partners, past or present, assisted in any way to finance any Communist Revolution or activity in Russia or anywhere else.

"November 28, 1938."

It will be observed that the last paragraph of this statement can not be substantiated by Kuhn, Loeb and Company in the face of evidence.

Once again we call the attention of our readers to the *American Official Services Report*, treated in a previous chapter.

Further important information exists to nullify the soundness of the Kuhn, Loeb and Company statement as contained in the early edition of the *New York Times* of November 29, 1938, to-wit, that "the firm of Kuhn, Loeb & Co. has never had any financial relations, or other relations, with any government in Russia, whether Czarist, Kerensky or Communist," and that the late Jacob Schiff "had no relations with any fomenters of the Bolshevik uprising which destroyed the Kerensky government, being utterly out of sympathy with their methods and principles."

We proceed with our argument:

In a document published by the United States Department of State entitled: *Papers Relating to the Foreign Relations of the United States—1917—Supplement 2—The World War—Volume 1*, page 25, we read the following confirming evidence:

"File No. 763.72119/563a

"The Secretary of State to the Ambassador in Russia (Francis). (Telegram)

Washington, April 16, 1917.

"1321. Please deliver following telegram:

"Miliukov, Petrograd (or Baron Gunzburg): American Jewry is alarmed by reports that certain elements are urging separate peace between Russia and Central powers. A separate peace may, in our opinion, lead to the ultimate restoration of an autocratic government and the degradation of the Russian Jews below even their former deplorable condition. We are confident Russian Jewry are ready for the greatest sacrifices in support of the present democratic government as the only hope for the future of Russia and all its people. *American Jewry holds itself ready to cooperate with their Russian brethren in this great movement.*" Mar-

shall, Morgenthau, Schiff, Strauss, Rosenwald.

"(If sent to Baron Gunzburg, add: May we ask you to submit this to your Government. )

Lansing."

Comment upon this startling document is almost unnecessary. Two names of the Kuhn, Loeb and Company firm—Schiff and Strauss—are mentioned in this telegram sent by the United States Secretary of State, Robert Lansing.

Granting that Mr. Schiff and Mr. Strauss are not the firm of Kuhn, Loeb and Company, we proceed with our argument:

According to the *Jewish Communal Register*, 1917 edition, edited and published by the Kehillah (Jewish Community) of New York City (p. 1019):

"Mr. Schiff has always used his wealth and his influence in the best interests of his people. He financed the enemies of autocratic Russia and used his financial influence to keep Russia from the money market of the United States."

The *New York Times* (March 24, 1917) described a protest meeting of Russian sympathizers in New York. In the meeting, a Mr. George Kennan, a recognized authority on Russian affairs and an agent of revolution in the Russo-Japanese war of 1905, referred to the fact that as early as 1905 the revolutionary movement was "financed by a New York banker you all know and love." An unidentified Mr. Parsons said that he would read a telegram from the New York banker to whom Mr. Kennan made reference. He read a telegram sent by Mr. Jacob Schiff, a director of the financial house of Kuhn, Loeb and Company, from White Sulphur Springs to the meeting in New York. The telegram reads as follows:

"Will you say for me to those present at tonight's meeting how deeply I regret my inability to celebrate with the Friends of Russian Freedom the actual reward of what we had hoped and striven for these long years! I do not for a moment feel that if the Russian people have under their present leaders shown such commendable moderation in this moment of crisis they will fail to give Russia proper government and a constitution which shall permanently assure to the Russian people the happiness and prosperity of which a financial autocracy has so long deprived them." (Sgd.) *Jacob H. Schiff.*"

Mr. Kennan, speaking of Mr. Schiff's work for the Friends of Russian Freedom since 1905 when he engaged in distributing revolutionary material to Russian prisoners in Tokyo, said concerning the movement:

"The movement was financed by a New York banker you all know and love, and soon we received a ton and a half of Russian revolutionary propaganda. At the end of the war



50,000 Russian officers and men went back to their country ardent revolutionists. The Friends of Russian Freedom had sowed 50,000 seeds of liberty in 100 Russian regiments." (*New York Times*, March 24, 1917.)

In the following chapter, under the title of *The Sisson Documents* the subject of international bankers and the part they played in the Russian Revolution will be discussed further in a manner pertinent to the point in question.

The conclusion drawn from the evidence submitted in the above chapter nullifies the statement attributed to Kuhn, Loeb and Company, published in letters to certain radio stations and in the *New York Times* of November 29, 1938.

## CHAPTER X

### THE SISSON DOCUMENTS—AND INTERNATIONAL BANKERS

These papers, the authenticity of which, in part, was challenged by the General Jewish Council booklet, show, among other things, the international character of Jewish banking as related to Communism.

On page 20 of the General Jewish Council booklet under the caption of *The Sisson Report* we read:

"To fortify his argument Father Coughlin refers to 'another collection of documents known as *The Sisson Report*,' claiming that their authenticity is guaranteed. . . .

"First let us point out a misstatement of Father Coughlin. There is no National Board for Historical Service of the United States. There was in 1918 a private organization called the National Board for Historical Service. The words 'of the United States' were inserted by Father Coughlin, making it sound as though he were referring to an official organization."

From this *Sisson Report* Father Coughlin quoted certain documents. Relative to the *Sisson Report*, and particularly to the documents referred to by Father Coughlin, the General Jewish Council booklet (p. 21) said:

"It will be noted that the committee found that the two documents referred to by Father Coughlin were of questionable authenticity. That this fact was known to Father Coughlin is suggested by the fact that he referred to the National Board for Historical Service. Nevertheless, he says that their 'authenticity is guaranteed.'"

Let us analyze this charge leveled against the Radio Priest by the authors of the General Jewish Council booklet. The analysis and the conclusions drawn therefrom will be evident from the following:

Edgar Sisson was the special representative of President Wilson in Russia during the Bolshevik Revolution. He wrote a personal chronicle of the Revolution in a book, entitled *One Hundred Red Days—November 25, 1917–March 4, 1918*. Moreover, he compiled a report entitled *The German-Bolshevik Conspiracy* while acting in his capacity as "Special Representative in Russia of the Committee on Public Information," in the winter of 1917-18. As is evident from even a casual reading of the book and the brochure which contains the report, Sisson, acting as the special representative of President Wilson, enjoyed intimate contact with the representatives of foreign powers and thereby acquired important documents bearing on the German-Bolshevik conspiracy. Unfortunately, the authors of the General Jewish Council booklet neglect to give their readers these pertinent facts.

In his address of December 4, 1938, Father Coughlin said:

"... Let me elaborate by referring to another collection of documents known as the *Sisson Report*. This latter collection of documents, whose authenticity is guaranteed by the National Board for Historical Service of the United States and is accepted by the United States Congress, is official."

The authors made capital of the fact that Father Coughlin called the investigation board the National Board for Historical Service of the United States, noting that the words "of the United States" were inserted by Father Coughlin.

Let it be said that Father Coughlin inserted these descriptive words to refer specifically to the Board and to distinguish it from other historical boards and historical associations functioning in other countries. It is true that the organization was a private historical investigation organization. But the fact that the Committee on Public Information submitted the documents to the investigators of this Board and that both the Committee and the United States Congress accepted the judgment of these investigators makes the documents official and the Board's decisions official, at least in this instance.

Father Coughlin quoted documents Nos. 57 and 64 of the *Sisson Report* saying that the Board had guaranteed their authenticity. To deny this statement, the authors of the General Jewish Council booklet quote the following words relative to the authenticity of these documents:



"III. For the documents of our third group, apart from Nos. 56 and 58, we" (the Board) "have only the Russian mimeographed texts. The originals of nearly all of them would have been written in German. We have seen neither originals nor photographs, nor has Mr. Sisson, who rightly relegates these documents to an appendix and expresses less confidence in their evidential value than in that of his main series, Nos. 1 to 53. With such insufficient means of testing their genuineness as can be afforded by Russian translations, we can make no confident declaration."

Without accusing the authors of the General Jewish Council booklet of deliberate mutilation and intentional suppression of evidence in this instance, we now quote the remainder of the Board's testimony on the authenticity and genuineness of these same documents.

Thus, the following sentences constitute the remaining statements of the paragraph which the authors of the booklet quoted only partially:

"Thrown back on internal evidence alone, we can only say that we see in these texts nothing that positively excludes the notion of their being genuine, little in any of them that makes it doubtful, though guarantees of their having been accurately copied and accurately translated into Russian are obviously lacking." (*German-Bolshevik Conspiracy*, Report of the Special Committee on the Genuineness of the Documents, p. 30.)

Of course, it will be recognized that both internal evidence and external testimony are used to test the genuineness of historical documents. The one complements the other. Hence, although external testimony was lacking concerning these documents—a point which the authors of the General Jewish Council booklet emphasized—yet internal evidence indicated that the documents were genuine—a fact which the same authors overlooked.

Let us see what Mr. Sisson himself thought and wrote concerning these documents. He said:

"This appendix" (No. 1) "is of circulars of which (except in two cases noted) I have neither originals nor authenticated copies. A number of sets of them were put out in Russian text in Petrograd and in other parts of Russia in the winter (1917-18) by the opponents of the Bolsheviks. The circulars were declared to be copies of documents taken from the Counter-Espionage Bureau of the Kerensky Government, supplemented by some earlier material from the same bureau when it was under the Imperial Government. The opportunity for securing them could easily have been afforded to the agents and employees of the Bureau, for most



This was the first official portrait of the original leaders of the Communist Revolution of 1918. At top is Lenin, in center, founder of the Red Army, Leon Trotsky, (real name Bronstein), clockwise, A.V. Luncharsky, Jacob Sverdlov, President of the Central Committee, Lev Kamenev, (Rosenfeld), Commissar of Labor and Defense, Gregory Zinoviev, (Applebaum), Politburo Secretary.

All are Jews with the exception of Luncharsky! Stalin was left out because he did not play a major role in the revolution. Thus he later had this picture banned.





**Jacob Schiff** was born into financial circles in Frankfurt, Germany in 1847. He moved to New York and got a job with the Kuhn, Loeb Bank. At age 26 he married Solomon Loeb's daughter Theresa and soon took over the bank. He used its great wealth to finance Communism in both Russia and America. Schiff founded The American Jewish Committee.



**Lazar M. Kaganovich**, a Jew, was Stalin's No 2 man. He was head of all heavy industry. On July 14, 1941 Stalin married Kaganovich's sister Rosa after his first wife committed suicide. Later, on July 15, 1951 Stalin's daughter married Kaganovich's son, Mihail.



**Max Warburg** headed the M.M. Warburg Bank of Hamburg, Germany. His brothers Paul and Felix moved to New York. They married into the Kuhn, Loeb Bank. Felix married Jacob Schiff's daughter Frieda while Paul wed Nina Loeb. Paul Warburg was a founder of the Federal Reserve Bank and its first Vice-President in 1914. Max Warburg gave Lenin millions to overthrow the Czar of Russia.



**L.P. Beria** headed the Soviet Secret Police from 1938 - 1953. He was preceded by Nikolai Yezhov and G.G. Yagoda. All three were Jews. Along with Stalin, they are considered the worst mass murderers in all history.

1917-1918

פנקס הכהלה  
הנויארק רבתי  
ח ר ע " ח

EDITED AND PUBLISHED  
by the

**Kehillah (Jewish Community) of New York City**

356 SECOND AVENUE  
NEW YORK CITY

Schiff, Jacob Henry, was born in 1847, at Frankfort-on-the-Maine, Germany. He received his education in the schools of Frankfort. In 1865 he came to America, where he settled in New York City. Here, he joined the staff of a banking house. In 1873, he returned to Europe where he made connections with some of the chief German banking houses. Upon returning to the United States, he entered the banking firm of Kuhn, Loeb and Company, New York, of which he later became the head. His firm became the financial reconstructors of the Union Pacific Railroad, and since then is strongly interested in American railroads. Mr. Schiff's principle of "community of interests" among the chief railway combinations led to the formation of the Northern Securities Company, thus suppressing ruinous competition. The firm of Kuhn, Loeb & Co., floated the large Japanese War Loans of 1904-5, thus making possible the Japanese victory over Russia. Mr. Schiff is director of numerous financial companies, among them the Central Trust Company, Western Union Telegraph Company, the

Mr. Schiff has always used his wealth and his influence in the best interests of his people. He financed the enemies of autocratic Russia and used his financial influence to keep Russia from the money market of the United States.

When last year, Mr. Schiff celebrated his seventieth birthday, all the factions of Jewry in the United States and elsewhere united in paying tribute to him.

*The Jewish Communal Register*, is reproduced above, page 1,018, edition of 1917 - 1918. This proves that Jewish banker, Jacob Schiff, used his great wealth to bring down the Christian Czar of Russia in order to pave the way for the Jewish-communist revolution. He financed Japan's war against Russia in 1904, kept Russia out of the U.S. money market, (obtaining loans) and financed the "enemies" of "autocratic Russia" - this means the Jewish revolutionaries! Trotsky was living in exile in New York in March 1917 when Jacob Schiff agreed to finance his return to Russia along with 267 Yiddish speaking Jews to begin the revolution. The *New York Journal-American* of Feb. 3, 1949 reported, "Today it is estimated, even by Jacob's grandson, John Schiff, that the old man sank about \$20 million for the final triumph of Bolshevism in Russian."



## Lenin Was A Secret Jew



By Jesse Zel Lurie

The story of Lenin's heritage was discovered in the secret files of the Communist Party in Moscow. Lenin's grandfather, Alexander Blank, had been born to Jewish parents. When the parents died, Lenin and his brother were adopted by a Jewish family.

Another is Vladimir Ilyich Lenin. Yes, Lenin.

That the architect of the evil empire from which the suffering Slavs have yet to recover had Jewish grandparents is indisputable.

The documentary evidence was published recently in the *Moscow News*. It was largely ignored, for understandable reasons by the Jewish media. I am bringing it up to show the perils of attributing Jewish heritage to famous people.

The story of Lenin's heritage was discovered in the secret files of the Communist Party in Moscow. Lenin's grandfather, Alexander Blank, had been born to Jewish parents. When the parents died, Lenin and his brother were adopted by a Jewish family

Lenin's Jewish ancestry was brought to Stalin's attention by his sister, Anna Ulianova-Yelizarov. In 1929, she wrote to Stalin that she would like to publicize it to combat the anti-Semitism. The leading Communists of Jewish ancestry — Trotsky, Kamenev, Zinoviev, Radek and many, many others.

He wrote to Stalin's sister that it would be best she kept her surprising news to herself.

She compared Lenin's "esteemed Jewish revolutionary spirit to the weak and massive Russian character." Since Lenin was revered by these Russian masses, she hoped to instill in them his "Jewish revolutionary spirit." She added: "I don't know what motive we Communists can have for hushing up this fact."

Stalin had every reason for hushing up Lenin's Jewish ancestry. He told his sister once again to keep her mouth shut.

This correspondence was found in the archives of the Communist Party. Lenin's Jewish ancestry is fully documented.

of the employees walked out when the Bolsheviks grasped the Government, and could have taken freely of the contents of their departments.

"Some of the documents were included in the publication made in Paris, hitherto referred to.

"I have not relied on them as proof, but they fit to other fabrics of proof, and in the light of it are more valuable for themselves than they were when they stood alone." (*The German-Bolshevik Conspiracy*. Appendixes to the Report, p. 26.)

The two documents which Father Coughlin quoted and to which the author of the General Jewish Council booklet referred were Nos. 57 and 64 in the *Sisson Report*. Let us inspect them:

### "DOCUMENT NO. 57

"Circular, November 2, 1914.—From the Imperial Bank to the representative of the Nya-Banken and the agents of the Diskonto Gesellschaft and of the Deutsche-Bank:

"At the present time there have been concluded conversations between the authorized agents of the Imperial Bank and the Russian revolutionaries, Messrs. Zinovieff (*here and below version A has Zenzinoff*) and Lunacharsky. Both the mentioned persons addressed themselves to several financial men, who for their part addressed themselves to our representatives. We are ready to support the agitation and propaganda projected by them in Russia on the (one) absolute condition that the agitation and propaganda noted (planned) by the above-mentioned Messrs. Zinovieff and Lunacharsky will touch the active armies at the front. In case the agents of the Imperial Bank should address themselves to your banks we beg you to open them the necessary credit which will be covered completely as soon as you make demand on Berlin.—(Signed) Risser."

"(Addition as part of document): Zinovieff and Lunacharsky got in touch with Imperial Bank of Germany through the bankers, D. Rubenstein, Max Warburg, and Parvus. Zinovieff addressed himself to Rubenstein and Lunacharsky through Altwater to Warburg, through whom he found support in Parvus."

Sisson noted:

"Lunacharsky is the present People's Commissioner of Education. Parvus and Warburg both figure in the Lenin and Trotsky documents. Parvus is an agent at Copenhagen (see 'New Europe,' January 31, 1918, pp. 94-95). Warburg is believed to have been lately in Petrograd." (pp. 26, 27)

### "DOCUMENT NO. 64

"Stockholm, September 21, 1917. Mr. Raphael Scholan



(Schaumann), Haparanda.

"Dear Comrade: The office of the banking house M. Warburg has opened in accordance with telegram from president of Rhenish-Westphalian Syndicate an account for the undertaking of Comrade Trotsky. The attorney (agent) purchased arms and has organized their transportation and delivery up to Lulea and Varde. Name to the office of Essen & Son in Lulea, receivers, and a person authorized to receive the money demanded by Comrade Trotsky.—J. Furstenberg."

Sisson noted:

"This is the first reference to Trotsky, and connects him with Banker Warburg and Furstenberg. Lulea and Varde are Swedish towns, the former near to Haparanda, which is on the border of Sweden and Finland." (p. 27)

There are many other documents contained in the *Sisson Report* which refer directly to and thus corroborate the matter discussed in the above documents. Let us submit a few of them:

Document No. 1 records that the People's Commissary for Foreign Affairs had removed from the dossier on the traitors Lenin, Zinovieff, Koslovsky, Kollontai and others the order of the *German Imperial Bank No. 7433*, March 2, 1917, for allowing money to Comrades Lenin, Zinovieff, Kameneff, Trotsky, Sumenson, Koslovsky and others for propaganda in Russia, and that the books of the *Nia Banken* containing the accounts of the above comrades which were opened by order of the *German Imperial Bank, No. 2754* had been audited. *Order 7433* of the German Imperial Bank noted that all representatives of German banks in Sweden should honor requisitions received through Finland emanating from Lenin, Zinovieff, Kameneff, Trotsky, Sumenson, Koslovsky, Kollontai, Sivers and Merkalin on the basis of the *Order 2754* depositing money in private German businesses in Sweden, Norway and Switzerland. (p. 5)

Document No. 2 confirms the former. The German Staff Intelligence Bureau, writing to the chairman of the Council of People's Commissars, called attention to the fact that the originals of the above documents, *Imperial Bank 2754 and 7433*, were found in the possession of one Captain Konshin and bore the stamps of the Russian Okhrana (Intelligence Service). The adjutants of the German Intelligence Service even repeated the orders contained in these documents—a repetition which accords exactly with the originals above referred to as *Document No. 1*. (pp. 5-6)

It was not a mere coincidence that at the now historically notorious meeting held at Stockholm in 1916, plans were formulated for the betrayal of Russia by the former Russian Minister of the Interior, Protopopoff, and the German agents. In the

meeting, the German Foreign Office and banking interests were represented by Mr. Warburg, whose two brothers were members of the American international banking house of Kuhn, Loeb and Company, of which the late Jacob Schiff was a senior member. Nor is it still another coincidence that in the later states of the Russian Revolution (see *Sisson Documents*) international finance was hard at work to break down Russia's last line of resistance to the Central Powers, international revolutionism and international finance.

Document No. 4. Communique from German Staff Intelligence Bureau to the Commissariat of Foreign Affairs notes that the Socialist Party ruling in Russia (January 17, 1918) was in communication with Messrs. Scheidemann and Parvus through Messrs. Furstenberg and Radek relative to business relations of the Communist Party of Russia with the Imperial Government. (pp. 7-8)

Document No. 8. Communication from German Imperial Bank dated January 8, 1918, to the Commissar of Foreign Affairs calls attention to the fact that the Reichsbank had deposited 50-million gold roubles in Stockholm for expenses in maintaining the Red Guards and increasing propaganda in Russia; because certain parts of Russia, notably South Russia and Siberia, were yet antagonistic to Germany. (p. 9)

Document No. 9. Communique from German Imperial Bank, January 12, 1918, to the Commissar of Foreign Affairs orders that 5-million gold roubles from the credit fund of the General Staff should be placed at the disposal of Assistant Naval Commissar Kudriashoff for agit-prop in the Far East particularly "in China to carry on an agitation against Japan." (p. 9)

Document No. 11. *Imperial Bank No. 12378* is a resolution of a conference of the German commercial banks convened on proposal of the German delegation at Petrograd by the management of the Imperial Bank to discuss the resolutions of the Rhine-Westphalian Syndicate and Handelstag. These resolutions relate to a moratorium on Russian debts, purchase of Soviet securities by German banks, re-establishment of private foreign ownership of Russia's utilities, transportation and productive enterprises, outlawing of foreign capital, particularly English, French and American, for exploiting Russia's coal, oil and metals, transfer of two mining districts in Poland to Germany and an oil region in Galicia to Austria, grant of exclusive privilege to Germany and Austria of sending workmen and technicians into Russia, outlawing of all foreign workers and technicians for five years, agreement that German specialists control statistical departments of all productive and manufacturing enterprises in Russia, setting up of banks in Russia which will be dependent upon the will of



German and Austrian bankers, plan that all Russia's banking business will be transacted through the Deutsche Bank, treaty that all ports of Russia will be under the leadership of German specialists and provision that 'all tariff, shipping and railway rates will be computed on the basis of a Russian-German-Austrian trade pact. (pp. 9-10)

Authors such as Wickham Steed (*Through Thirty Years*, Vol. 2, p. 303) deduce from such evidence as the above "*the prime movers in the Russian revolution were Jacob Schiff, Warburg and other financiers*" who hoped to exploit Russia for their own purpose and began that exploitation when they persuaded the nations of the world to recognize Russia. Steed says that these Red financiers were "*akin to if not identical with the men who sent Trotzky and some scores of associate desperadoes to Russia.*"

Document No. 37A provides that the Russian agents of agit-prop who would be sent to Roumania for propaganda purposes should be "paid out of the cash of the 'German Naphtha-Industrial,' which has bought near Boreslav the business of the joint-stock company of Fanto and Co." (p. 20)

Document No. 54. Circular from the Ministry of Finance dated February 18, 1914, directed to all German banks by agreement with the Austro-Hungarian government, the Oesterreichische-Kreditanstalt, informing the bankers that the Imperial Government orders all institutions of credit to establish themselves in Luleo, Haparanda and Varde on the frontier of Finland and in Bergen and Amsterdam. The Imperial Government ordered all of these institutions to make provisions "*for very close and absolutely secret relations being established with Finnish and American banks.*" The government recommended "*the Swedish Nia Banken in Stockholm, the banking office of Furstenberg, the commercial company, Waldemar Hansen, in Copenhagen, as concerns which are maintaining lively relations with Russia.*" (p. 26)

Document No. 61. To Mr. Kirch, representative of the Deutsche-Bank in Switzerland, a commission charging him with the management of an account for the support of Russian emigrés "*desirous of conducting propaganda amongst Russian prisoners of war and the Russian Army.*" (p. 27)

Document No. 62. Cable from Copenhagen dated June 18, 1917, to Mr. Ruffner, Helsingfors, advises that 315,000 marks have been transferred from the account of Disconto-Gesellschaft to Mr. Lenin's account in Kronstadt as per order of the Syndicate. (p. 27)

Document No. 65. Cable from Svenson of Stockholm to Farsen, September 12, 1917, advises Farsen that according to his

order 207,000 marks "as per order of your Mr. Lenin" have been handed to persons designated in Farsen's letters. (p. 27)

Document No. 66. Cable from Furstenberg of Luleo dated October 2, 1917, to Mr. Antonov of Haparanda advises: "Comrade Trotzky's request has been carried out. From the account of the Syndicate and the Ministry (*Original translator's note: probably Ministry of Foreign Affairs in Berlin press division*) 400,000 kroners have been taken and remitted to Comrade Sonia, who will call on you with this letter and will hand you the said sum of money." (p. 28)

Document No. 67. Cable from Scheidemann of Berlin to Olberg advises, "By agreement with the persons known to you, 150,000 kroners are transferred to be at your disposal at Furstenberg's office, through Nia-Banken." (p. 28)

Document No. 68. A cable from Parvus (Israel Helphand), German agent and bag man for the Bolsheviks, addressed to Mr. Mir of Stockholm dated July 14, 1917, advises that Mr. Mir will receive through Mr. I. Ruchvergen 180,000 marks. Of this sum Engineer Steinberg will transfer 140,000 marks to Lenin for expenses. The balance was earmarked for agit-prop work against Britain and France. Parvus notes that he received the letters of Malianik and Stocklov and promised to consider their contents. (p. 28)

We have emphasized the *Sisson Documents* because they establish the following facts:

(1) German bankers cooperated with the German General Staff in foisting Communism on Russia and received the reward for their subsidies in the future exploitation of Russia.

(2) The Jewish-German bankers of the Bleichroeder-Mendelsohn-Oppenheim-Warburg group selected and subsidized for agents of Bolshevism many apostate Jew radicals.

And, most importantly, the *Sisson Documents* were accepted by the United States Congress because their authenticity had been guaranteed by history critics of the National Board for Historical Service. Mr. George Creel, chairman of the Committee on Public Information (which body published the *Sisson Documents* as War Information, Series No. 20, October, 1918), had turned over Mr. Sisson's documents to members of the National Board for Historical Service for their expert examination and judgment.

All these documents are submitted to show that complementary evidence exists to sustain the charge that Jews did participate in establishing Bolshevism. Moreover, these documents did not originate with Father Coughlin and are not "of questionable



## CHAPTER XI

### SEMITISM AND ANTI-SEMITISM

#### A

#### Counsel and Decrees of the Church Relating to Jews

On page 52 of the General Jewish Council booklet, under the title of *The Catholic Stand Against Anti-Semitism*, we read:

"It should be apparent to anyone who reads this memorandum that Father Coughlin is conducting an anti-semitic campaign. In so doing he is not only going against the great body of Catholic opinion, but is disobeying the admonitions of the Popes and violating the canons of his church. 'The Catholic Church,' said Pope Pius XI on September 25, 1928, 'habitually prays for the Jewish people who were the bearers of the divine revelation up to the time of Christ. Actuated by this love, the Apostolic See has protected this people against unjust oppression and just as every kind of envy and jealousy among the nations must be disapproved of, so in an especial manner must be that hatred which is generally termed anti-Semitism.'"

This is, purportedly, a quotation from the Decree *Amici Israel*, which will be printed in full in this chapter and, later on, criticized factually.

That Father Coughlin is conducting an anti-Semitic campaign is a serious charge, particularly when the General Jewish Council booklet endeavors to sustain it by "quoting" (?) words from Pope Pius XI (?) purportedly spoken on September 25, 1928 (?).

Be it definitely said that Father Coughlin is not an anti-Semite, understanding by that term that anti-Semitism is hatred of or opposition to Jews because they are Jews.

Now, to the point relative to the "quotation" employed in the General Jewish Council booklet as set down above:

In a Decree of the Holy Office dated March 25, 1928 (not September 25, 1928)—a Decree often misquoted as to purpose, intent, authorship and date—the Catholic Church gives valuable information and direction to her children regarding the two extremist groups of Jew-friends and Jew-haters. This Decree, issued by the Sacred Congregation, the *official guardian of faith and morals*, reminds us of the *blindness* of the Jewish people in having followed a false leadership for the past 2,000 years.

The Congregation of the Holy Office points out that the Jewish people were "at one time the chosen people of God." They were chosen originally, under God-given leadership, to be the "bearers of Divine Revelation." They were, says the Holy Office, "bearers of Divine Revelation up to the time of Jesus Christ."

Now it is the contention of Christianity, and particularly of the Catholic Church, that since the time of Jesus Christ the Jews are no longer the chosen people because they have refused to follow the leadership of Jesus Christ. Thus, the Church admonishes her children to pray for and to work for the conversion of the Jews, according to the Decree referred to, "in spite of, yes indeed on account of, their subsequent blindness."

The Jews, as a race, have rejected Jesus Christ Whom we accept as God and Who is the Leader of all peoples. By following another leadership, the Jews find themselves in difficulties everywhere. To any other person, or nation, or race, refusing to follow the leadership of Christ, the same observation can be made, namely that difficulties will beset them.\*

Against the extreme Jew-lovers and Jew-haters who, perchance, overlook these and even more important facts, the Holy Office, thus speaks in its Decree of March 25, 1928—a Decree entitled *Concerning the Abolition of the Association Popularly Known as "The Friends of Israel."* It is well understood herein that the Church has condemned the methods of the extremist Friends of Israel as "abhorrent to the sense of the Church, to the mind of the Holy Fathers, and to the very Sacred Liturgy itself." But, on the other hand, the Church, in this same Decree, takes occasion to remind her children that she always has condemned that particular type of anti-Semitism which is "*hatred of the Jewish people.*"

Without further comment we imprint below the English translation of the Decree frequently referred to as *Amici Israel—The Friends of Israel*—a Decree which the General Jewish Council booklet misquoted as to authorship, date of publication and purpose:

"ACTA APOSTOLICAE SEDIS

Commentarium Officiale

Annus XX—Volumen XX, F. 103

ACTA SS. CONGREGATIONUM

SUPREMA SACRA CONGREGATIO S. OFFICII

\*In this conjunction, may we urge our readers—including Jews—to open the Bible at the *Book of Deuteronomy* and read the twenty-eighth chapter wherein it is plainly stated in the inspired words of God that wonderful benedictions will descend upon the Jews if they remain faithful to the Revelations manifested to them by God, but astounding punishments will be suffered if they reject His leadership.



## DECREE

*"Concerning the Abolition of the Association Popularly Known as 'The Friends of Israel.'"*

"Since there has been submitted to the judgment of this Supreme Congregation of the Holy Office the nature and purpose of the association known as the 'Friends of Israel', and the booklet entitled *Pax Super Israel*, published by the moderators of the organization and distributed far and wide in order that its nature and method might become publicly known, their Eminences, charged with the safeguarding of faith and morals, first of all recognized in it the praiseworthy plan of exhorting the faithful to pray to God and to work for the conversion of the Jews to the Kingdom of Christ. Nor is it surprising that, thinking only of this sole purpose, not only a number of the faithful and priests, but also not a few bishops and cardinals became members of it. For the Catholic Church has always been accustomed to pray for the Jewish people, who were the bearers of Divine Revelation up to the time of Jesus Christ; *this despite, indeed on account of their subsequent blindness.*\* Actuated by this love the Apostolic See has protected this people against unjust oppressions and, just as She has disapproved of every kind of envy and jealousy among nations, so in a special manner does She condemn that hatred *against the people at one time chosen by God,*\* that hatred namely which nowadays is popularly signified as 'anti-Semitism.' Nevertheless, noting and considering that this association, 'Friends of Israel,' has adopted a manner of acting and speaking abhorrent to the sense of the Church, to the mind of the Holy Fathers and to the very Sacred Liturgy itself, their Eminences, through a vote of the consultors in a plenary session of the Congregation, held Wednesday, March 21, 1928, decreed the abolition of the Association, 'The Friends of Israel', and *de facto*\* abolished it, and commanded that no one in the future should dare to write or publish books or pamphlets which in any way favor such incipient errors.

"On Thursday, the 22nd day of the same month and year, Pius XI in an audience granted the Assessor of the Holy Office, approved and commanded to be published the resolution of their Eminences.

"(Given at Rome 25th of March 1928. From the archives of the Holy Office.)\*\*\*

\*Italics ours.

\*\*N. B. The authors of the General Jewish Council booklet (p. 52) did not quote the above Decree in its entirety, thus conveying to the readers an erroneous meaning.

The reader will observe that Pius XI is not the author of this Decree as was stated by the General Jewish Council booklet. He will also observe the correct date of its publication and the purpose for its having been written.

## B

Following the factual identification of the above Decree, which the General Jewish Council booklet altered as to content, date and authorship, let us become more specific on this question of Semitism by quoting liberally from a pronouncement relative to this subject by Pope Benedict XIV (1740-1785).

Because it expresses the mind of at least one Pope, Benedict XIV, on the subject of Semitism, let there be recorded here his letter addressed to the primates, archbishops and bishops of Poland on the Jewish question. Its English translation comes to us from the pens of the Rev. Denis Fahey, C.S.Sp., and the Rev. S. Rigby. It reads as follows:

"Out of the many subjects of which We have just made mention there is none about which We feel We ought to complain except the last" (the Jewish question). "But concerning this point We are forced to cry out tearfully, 'The finest colour is changed.' (Lament. Jer. IV.I.) To put it briefly, from responsible persons whose testimony is worthy of credence and who are well acquainted with the state of affairs in Poland, and from people living in the Kingdom who out of zeal for religion, have forwarded their complaints to Us and to the Holy See, We have learned the following facts.

"The number of Jews has greatly increased there. Thus certain localities, towns and cities, which were formerly surrounded by splendid walls (the ruins thereof bear witness to the fact), and which were inhabited by a great number of Christians, as We learn from the old lists and registers still extant, are now in an ill-kept and filthy condition, peopled by a great number of Jews, and almost bereft of Christians. Besides, there is in the same Kingdom a certain number of parishes of which the Catholic population has diminished considerably. The consequence is that the revenue forthcoming from such parishes has dwindled so greatly that they are in imminent peril of being left without priests. Moreover, all the trade in articles in general use, such as liquors, and even wine, is also in the hands of Jews; they are allowed to have charge of the administration of the public funds; they have become the leaseholders of inns and farms and have acquired landed estates. In all these ways, they have acquired landlord rights over unfortunate Christian tillers of the soil, and not only do they use their power in a heartless and inhuman manner, imposing severe and painful labours upon Christians, compelling them to carry excessive burdens, but



in addition, they inflict corporal punishment, such as blows and wounds. Hence, these unhappy people are in the same state of subjection to a Jew, as slaves to the capricious authority of their master. It is true that, in inflicting punishment, the Jews are obliged to have recourse to a Christian official to whom this function is entrusted. But, since that official is forced to obey the commands of the Jewish master, lest he himself be deprived of his office, the tyrannical orders of the Jew must be carried out.

"We have said that the administration of public funds and the leasing of inns, estates and farms, have fallen into the hands of Jews, to the great and manifold disadvantage of Christians. But We must also allude to other monstrous anomalies and We shall see, if We examine them carefully, that they are capable of being the source of still greater evils and of more widespread ruin than those We have already mentioned. It is a matter fraught with very great and grave consequences that Jews are admitted into the houses of the nobility in a domestic and economic capacity to fill the office of major-domo or steward. Thus they live on terms of familiar intimacy under the same roof with Christians and continually treat them in a high-handed manner, showing their contempt openly. In cities and other places, Jews may be seen everywhere in the midst of Christians; and what is still more regrettable, Jews are not in the least afraid to have Christians of both sexes in their houses attached to their service. Again, since the Jews are much engaged in commercial pursuits, they amass huge sums of money from these activities, and they proceed systematically to despoil the Christians of their goods and possessions, by their excessive usurious exactions. Though at the same time they borrow sums of money from Christians at an immoderately high rate of interest, for the payment of which their synagogues serve as surety, yet their reasons for so doing are easily seen. First of all, they obtain money from Christians which they use in trade, thus making enough profit to pay the interest agreed upon, and at the same time increase their own wealth. Secondly, they gain besides as many protectors of their synagogues and their persons as they have creditors.

"The famous monk Radulphus was in former times carried away by excessive zeal and was so hostile to the Jews that, in the 12th century, he traversed France and Germany preaching against them as enemies of our holy religion, and ended by inciting the Christians to wipe them out completely. And so it came to pass that a great number of Jews were slaughtered. One wonders what that monk would do or say, if he were alive to-day and saw what is happening in Poland.

The great S. Bernard opposed the wild excesses of Radulphus' frenzy and in his 363rd letter, wrote to the clergy and people of Eastern France as follows:—

"*'The Jews must not be persecuted: they must not*

*be slaughtered or hunted like wild animals. See what the Scriptures say about them. I know what is prophesied about the Jews in the Psalm; 'The Lord,' says the Church, 'has revealed to me His will about my enemies: Do not kill them, lest my people become forgetful.' They are assuredly the living signs that recall to our minds the Passion of the Saviour. Moreover they have been dispersed all over the world, so that while paying the penalty of so great a crime, they may be witnesses to our Redemption.'*

"Again in his 365th letter, addressed to Henry, Archbishop of Mayence, he writes:—

*"Does not the Church triumph every day over the Jews in nobler fashion by bringing home to them their errors or converting them, than by slaughtering them? It is not in vain that the Universal Church has established all over the world the recitation of the prayer for the obstinately unbelieving Jews, that God may lift the veil from over their hearts, and lead them out of their darkness into the light of truth. For if she did not hope that they who do not believe may believe, it would seem to be foolish and purposeless to pray for them.'*

"Peter, Abbot of Cluny, wrote against Radulphus in a similar strain to Louis, King of the French. He exhorted the King not to allow the Jews to be slaughtered. Nevertheless, as is recorded in the Annals of the Venerable Cardinal Baronius under the year of Christ, 1146, he at the same time urged the king to take severe measures against them, on account of their excesses, in particular, to despoil them of the goods which they had taken from the Christians or amassed by usury, and to use the proceeds for the benefit and advantage of religion.

"As for Us, in this matter, as in all others, We follow the line of conduct adopted by Our Venerable Predecessors, the Roman Pontiffs. Alexander III" (1159-81) "forbade Christians, under severe penalties, to enter the service of Jews for any lengthy period or to become domestic servants in their households. 'They ought not,' he wrote, 'to serve Jews for pay in permanent fashion.' The same Pontiff explains the reason for this prohibition as follows: 'Our ways of life and those of Jews are utterly different, and Jews will easily pervert the souls of simple folk to their superstition and unbelief, if such folk are living in continual and intimate converse with them.' This quotation concerning the Jews may be found in the Decretal *Ad haec*.

"Innocent III" (1198-1216) "after having mentioned that Jews were being admitted by Christians into their cities, warned Christians that the mode and the conditions of admission should be such as to prevent the Jews from returning evil for good: 'When they are thus admitted out of pity into familiar intercourse with Christians, they repay their hosts,



as the proverb says, after the fashion of the rat hidden in the sack, or the snake in the bosom, or the burning brand in one's lap.' The same Pontiff says it is fitting for Jews to serve Christians, but not for Christians to serve Jews, and adds: 'The sons of the free-woman should not serve the sons of the bondwoman. . . On the contrary, the Jews, as servants rejected by that Savior Whose death they wickedly contrived, should recognise themselves, in fact and in deed, the servants of those whom the death of Christ has set free, even as it has rendered them bondmen.' These words may be read in the Decretal, *Etsi Judaeos*.

"In like manner, in another Decretal, *Cum Sit Nimis*, under the same heading, *De Judaeis et Saracenis* (On Jews and Saracens) he forbids public positions to be bestowed on Jews: 'We forbid the giving of public appointments to Jews because they profit by the opportunities thus afforded them to show themselves bitterly hostile to Christians.'

"In his turn, Innocent IV" (1243-54) "wrote to Saint Louis, King of the French, who was thinking of expelling the Jews from his domains, approving of the king's design, since the Jews did not observe the conditions laid down for them by the Apostolic See: 'We, who long with all Our heart for the salvation of souls, grant you full authority by these present letters to banish the above-mentioned Jews, either in your own person or through the agency of others, especially since, as We have been informed, they do not observe the regulations drawn up for them by this Holy See.' This text can be found in Raynaldus, under the year of Christ 1253, No. 34.

"Now, if any one should ask what is forbidden by the Apostolic See to Jews dwelling in the same towns as Christians, We answer that they are forbidden to do the very things they are allowed to do in the Kingdom of Poland, namely, all the things We have enumerated above. To be convinced of the truth of this statement, there is no need to consult a number of books. One has only to peruse the Section of the Decretals *De Judaeis et Saracenis* (On Jews and Saracens) and read the constitutions of the Roman Pontiffs, Our Predecessors, Nicholas IV" (1288-94); "Paul IV" (1555-59); "Saint Pius V" (1566-72); "Gregory XIII" (1572-85); and Clement VIII" (1592-1605), "which are readily available, as they are to be found in the *Bullarium Romanum*. You, however, Venerable Brethren, do not need to take upon yourselves even that much reading in order to see clearly how matters stand. You have only to go through the Statutes and Regulations drawn up in the Synods of your predecessors, as they have been most careful to include in their Constitutions everything that the Roman Pontiffs have ordained and decreed concerning this matter.

"The kernel of the difficulty, however, lies in the fact that

the Synodal Decrees have either been forgotten or have not been carried out. It is incumbent upon you, therefore, Venerable Brethren, to restore them to their pristine vigour. The character of Your sacred office demands that you should zealously strive to have them enforced. It is meet and fitting, in this matter, to begin with the clergy, seeing that it is their duty to point out to others how to act rightly and to enlighten all men by their example. We are happy in the confidence that, by the mercy of God, the good example of the clergy will bring back the straying laity to the right road. *All this you can enjoin and command with the more ease and assurance because, as We have learned from the reports of trustworthy and honourable men, you have not leased either your goods or your rights to Jews, and have avoided any dealings with them in lending or borrowing. You are thus, so We are given to understand, completely free from, and unembarrassed by, any business relations with them.*

"This systematic mode of procedure prescribed by the sacred canons for exacting obedience from the refractory, in matters of great importance like the present, has always included the use of censures and the recommendation to add to the number of the reserved cases those which one foresees would be a proximate cause of danger or peril for religion. You are well aware that the Holy Council of Trent took every care to strengthen your authority, especially by recognising your right to reserve cases. The Council did not merely refrain from limiting your right exclusively to the reservation of public crimes, but went much further, and extended it to the reservation of acts described as more serious and detestable, so long as the said acts were not purely internal. On divers occasions, in various decrees and circular letters, the Congregations of Our August Capital have laid down and decided that under the heading of 'more serious and detestable offences' should be ranked those to which mankind is most prone, and which are detrimental to ecclesiastical discipline, or to the salvation of the souls entrusted to the pastoral care of the bishops. We have elaborated this point at some length in Our *Treatise on the Diocesan Synod*, Book V, Chapter V.

"We beg to assure you that every help that We can give shall be at your disposal to ensure success in this matter. In addition, to meet the difficulties that will inevitably present themselves, if you have to proceed against ecclesiastics exempt from your jurisdiction, We shall give to Our Venerable Brother, the Archbishop of Nicea, Our Nuncio in your country, suitable instructions on this point, so that you may be able to obtain from him the faculties required to deal with the cases that may arise. At the same time, We solemnly assure you that, when a favourable opportunity offers, we shall treat of this matter, with all the zeal and energy We can muster, with those by whose power and authority the



noble Kingdom of Poland can be cleansed of this foul stain. Do you, Venerable Brethren, first of all, beg with all the fervour of your soul, the help of God Who is the Author of all good. Implore His aid also, by earnest prayer, for Us and for this Apostolic See. Embracing you in all the fullness of charity, We very lovingly impart, both to you and to the flocks committed to your care, the Apostolic Benediction.

"Given at Castel Gandolfo, 14th June, 1751, in the 11th year of Our Pontificate."

No comment is required upon this letter addressed officially by Benedict XIV to the Church in Poland. Surely Benedict and his predecessors, whom he quotes, were not anti-Semitic, although he recognized a Semitic question.

In our day we recollect the attempts made by the Jews, particularly through Zionist endeavors, to regain residence in Palestine.

As a result of the first World War the allied forces occupied the Holy Land. The British Government and others promised to re-establish Jewry in Palestine. Following the Treaty of Versailles, many thousands of Jews, resting upon the promises of the allied powers, moved to the Holy Land. Shortly afterwards, on June 13, 1921, Pope Benedict XV delivered an Allocution at a Consistory summoned for the creation of Cardinals in which he expressed the following thoughts pertinent to Jews in Palestine. Said he:

"Furthermore, when Christians again gained possession of the Holy Places by means of the Allied forces, We enthusiastically participated in the general joy of the faithful; but beneath this rejoicing there lay the fear, which We admitted to you in the same address, lest it would come about as a result of this fact, so excellent and delightful in itself, that the Jews would soon get the upper hand in Palestine and enjoy a certain superior right. The facts themselves show that this was not an empty fear. For it is apparent that the condition of Christians in the Holy Land not only is not any better but even worse than before, specifically, because of the new laws and institutions of the country, which—we do not say by the deliberate will of the authors but certainly in reality—tend toward causing the Christian name to fall from the position which it has always held up to now, to the advantage of the Jews. In addition to these things, we see a great effort being made by many to profane the Holy Places and to convert them into certain pleasure resorts, by importing thither worldly attractions and every kind of incitement to sensuality—which indeed can be approved of nowhere else, much less where there abound the solemn memorials of religion.

"However, since the status of Palestine has not yet been definitely established, we now declare that We desire that when the moment for settling the status of Palestine arrives, the rights of the Catholic Church and of all Christians be safeguarded and kept intact; indeed, as far as the rights of the Jewish race are concerned, We surely do not wish them to be decreased, but We also contend that the sacrosanct rights of Christians must by no means be jeopardized by them. In this matter, then, We urgently ask that the governments of Christian peoples, including the non-Catholic, do not refuse to take the proper stand in the League of Nations, to which is entrusted the power to deal with the English mandate of Palestine." (*Actes de Benoit XV*, Tome III, Oct. 1920-1921, 5 rue Bayard, Paris-8.)

To conclude this chapter may we quote the observations of the preeminent writer, Hilaire Belloc. In his book entitled *The Jews*, he says:

"It was the instinctive policy with the mass of the Jewish nation, a deliberate policy with most of its leaders, not only to use ridicule against Anti-Semitism but to label as 'Anti-Semitic' any discussion of the Jewish problem at all, or, for that matter, any information even on the Jewish problem. It was used to prevent, through ridicule, any statement of any fact with regard to the Jewish race save a few conventional compliments or a few conventional and harmless jests.

"If a man alluded to the presence of a Jewish financial power in any region—for instance, in India—he was an Anti-Semite. If he interested himself in the peculiar character of Jewish philosophical discussions, especially in matters concerning religion, he was an Anti-Semite. If the emigrations of the Jewish masses from country to country, the vast modern invasion of the United States, for instance (which has been organized and controlled like an army on the march) interested him as an historian, he could not speak of it under pain of being called an Anti-Semite. If he exposed a financial swindler who happened to be a Jew, he was an Anti-Semite. If he exposed a group of Parliamentarians taking money from the Jews, he was an Anti-Semite. If he did no more than call a Jew, a Jew, he was an Anti-Semite." (Belloc, *The Jews*, pp. 160-161.)



## AN ANTI-SEMITIC OR AN ANTI-COMMUNIST CAMPAIGN?

On page 39 of the General Jewish Council booklet, under the title of *Father Coughlin a Hero in Germany*, we read:

"In view of this it is scarcely surprising that Father Coughlin's anti-semitic campaign and his use of Nazi methods have received wide acclaim through Germany. . . ."

On numerous occasions, as recorded in his radio addresses, Father Coughlin has condemned Naziism, thereby establishing his record.

Sober minds do not reason that Father Coughlin is a Nazi agent or a Hitler hireling even though he has been praised by the Nazi press.

The Reverend Joseph Moody, Professor of History at Cathedral College, New York, accepted a scroll from the international Jewish Masonic Society, B'nai B'rith, in recognition of his outstanding work for Jewry. No one would conclude, we hope, that Dr. Moody, was, therefore, an international Jewish Mason with definite anti-Catholic and anti-Christian tendencies.

This error in reasoning by the authors of the General Jewish Council booklet may be best explained by William Zukerman who wrote in *Harper's Magazine*, (January, 1935, p. 210): "It is one of the minor tragedies of Jewish thinking that, by long and unfortunate association, criticism of the Jew and anti-Semitism have become inseparable in the Jewish mind."

Very definitely Father Coughlin has criticized some Jews, not as Jews, but in so far as they have advocated or practiced radicalism. For doing so it is illogical to call him an anti-Semite or a pro-Nazi.

An excellent example of priestly thought on this subject has been recently given by that great Catholic historian, the Reverend Francis Borgia Steck, O.F.M. Father Steck bluntly forbids world Jewry to try to pin the label of *anti-Semite* upon Father Coughlin.

Says Father Steck in a letter to *Commonweal* deploring the attack of Msgr. John A. Ryan against Father Coughlin:

"His broadcast of November 20th . . . was no more anti-Semitic than what Archbishop Mitty told us over the radio on November 16th, and what Msgr. Fulton Sheen said in his sermon at the recent Pan-American Mass here in Wash-

ington."

World Jewry (and its satellites) would do well to mark Father Steck's further observation: "Confusion," says he, "is apt to arise however in the minds of such as do not like to see Father Coughlin in this distinguished company. It adds so much to his words and makes his stand so strong."

Pertinent to this chapter, and serving as a generality for the specific paragraphs to follow, may we quote the *Catholic World* of July, 1937 (p. 457). We read the following under the title of *The Church and Jewry*:

"But, opposed to the 'Orthodox' Jew we find the 'Reform' Jew, who traces back his school of thought to Moses Mendelssohn, an Askenazic Jew in Germany (1729-1786). He" (Mendelssohn) "was a friend of Lessing and grandfather of Mendelssohn-Bartholdy the musician. His school of thought has lent itself very easily to the ravages of modernism, since it has always been distinguished by 'very lax views of Biblical inspiration and bends Jewish beliefs and practices so as to adapt them to environment.' (The Catholic Encyclopedia, see 'Jews.') It is chiefly prevalent in Germany and the United States, and is deeply deplored by the strictly Orthodox Jews of the Sephardic tradition of the 'Shulchan Aruch'. To this division, in the writer's opinion, can be traced those activities subversive of morality and law, which, of recent years, have given the Jew an evil reputation. The leopard cannot change his spots. If you take from the Jew his religion, leaving him only with his perennially frustrated sense of nationalism (a sense aggravated by his inferiority complex in contact with the Gentiles among whom his lot is cast) trouble is bound to follow. It is among such moral outcasts that the agitator is bred. The Jewish Communist is the worst form of Communist, and, in the war on religion in Russia, it is the Jewish Communists who have, from the first, taken a sinister delight in the proscription of all Jewish (as well as Christian) religious teaching. Throughout the world we find the renegade Jew behind the anti-social movements of the day—and it is because of their knowledge of this fact, that the Roman Pontiffs of the past hundred years have looked askance on Jewry. And the Orthodox Jew can do nothing—the modern cult of youthful opinion with the Jew, as with Christian, laughs at authority. Where the end will come, whether another Moses Maimonides will arise to rally the stricken ranks of Jewish Orthodoxy, who knows? Nothing short of such a miracle can save Jewry from its worst elements under modern conditions."

In *G. K.'s Weekly* of February 4, 1937, we read the following:

"As for anyone who does not know that present revolutionary Bolshevik movement is Jewish in direction and



especially Jewish in Russia, I can only say that he must be a man who is taken in by the suppressions of our deplorable press."

And again on August 13, 1936, in the same weekly, we read:

"Moscow has the enormous material advantage of vast funds, such as a despotism can levy at will from the labor of more than 50-million adult men and women working on its soil." (Allowing as productive of revenue one-third of the gross population.) "All the surplus value of that labour is available, and a very large part of it is actually used, for propaganda and supply in countries outside Russia.

"Moscow is only a symbolic word, but the reality beneath the symbol is now fairly familiar. It is a group of men well-organized . . .

"This group of men is cosmopolitan and largely Jewish, with the Jewish intensity of purpose . . . the Jewish ability to act in secret, the Jewish indifference to property and national ideals . . . and, above all, the Jewish tenacity . . ."

If Jews have been persistent in their opposition to Communism, why, then, did Pope Benedict XIV write as he did of them? Why did many Catholic Cardinals and Bishops throughout the world—particularly in Europe—while not affirming that Jews uphold Communism, definitely associate Jews with Communism?

There is a famous letter of 1921 written in Hungary by Bishop Ottocar Prohaszka. Bishop Prohaszka knew the terrors of the Communist revolution in Hungary directed by the Jew, Bela Kun (Cohn), who lately worked with *Loyalists* in Spain.

Says Bishop Prohaszka:

"Hungary wants to remain a Hungarian State. Neither England nor the United States is qualified to contest this right. . . . We proclaim to the world that we cannot endure the indefinite Jewish usurpation and we shall get rid of it. . . . We do not hate anybody, not even the Jews, but we love our people and our Fatherland first. We must safeguard our own existence first. France to the French, England to the English. Perfect. But to whom Hungary? To the Hungarians. She belongs to us and we shall not allow anybody to steal her from us, either by violence or by ruse. . . . Let them accuse us of anti-Semitism, of reaction or of whatnot. We shall not be intimidated or duped by shameless subterfuge. We unmask and we denounce this so-called Liberalism that expels us from our own house to hand it over *liberally* to Jewry. This liberalism is only treason."

It is well to remember that these words of Bishop Prohaszka were uttered in the year 1921, long before the advent of Hitler

to power.

In Catholic Poland, Cardinal Hlond emphasizes the existence of a Jewish problem, in his *Pastoral Letter* of 1936, as follows:

"A Jewish question exists, and there will be one so long as the Jews remain Jews. It is an actual fact that the Jews fight against the Catholic Church. They are free-thinkers, and constitute the vanguard of Atheism, Bolshevism, and Revolution."

Father Coughlin's complaint is against the activities of such atheistic Jews. His appeal to religious-minded Jews seems to be but the echo of Catholic thought throughout various parts of the world. In fact, Cardinal Hlond seems to recommend steps never suggested by Father Coughlin. Says the Cardinal:

"One does well to prefer his own kind in commercial dealings and to avoid Jewish stores and Jewish stalls in the markets, but it is not permissible to demolish Jewish businesses. One should protect one's self against the evil influence of Jewish morals, and particularly boycott the Jewish press, and the Jewish demoralizing publications, but it is inadmissible to assault, hit or injure the Jews."

Cardinal Baudrillart, Rector of the Catholic Institute of Paris, discoursing recently on the Jewish activities in Catholic Spain spoke as follows on the occasion of his eulogy of the martyrs of the French Revolution:

"Personal sources allow me to affirm that at the beginning of the Spanish revolution, sixty Russian Jews crossed the Pyrenees to play the role of executive agents, to burn churches and convents, to pillage them, to profane sacred things and to instruct the Spaniards who would not have dared by themselves to put their hands on the objects of their age-old veneration."

With these words of His Eminence in mind, it is easy to understand the indictment of world Jewry which His Excellency, the Most Rev. Antonio Garcia, Bishop of Tuy, Spain, uttered in his striking *Pastoral Letter*.

Bishop Garcia had, of course, a most excellent opportunity of seeing the effects of these anti-Christian activities. He was one of the signatories of the *Collective Letter of the Spanish Hierarchy* issued July 1, 1937.

Bishop Garcia writes as follows:

"It is evident that the present conflict is one of the most terrible wars waged by Anti-Christ, that is, by Judaism, against the Catholic Church and against Christ. And at this crisis in the history of the world, Jewry uses two formidable



armies; one secret, namely that of Freemasonry; the other, open and avowed, with hands dripping with blood, that of the Communists and all the other associated bodies, Anarchists, Anarcho-Syndicalists, Socialists, as well as the auxiliary forces, Rotary, and Leagues of Benefaction . . ." (Quoted from Rev. Denis Fahey, *The Mystical Body of Christ in the Modern World*, p. 264, second ed.)

In view of such testimony it is ridiculous for the General Jewish Council to label Father Coughlin as a sinful anti-Semite because he has laid emphasis on the revolutionary activities of atheistic and anti-religious Jews. He, as were the ecclesiastics quoted above, was and is an opponent of Communism. Communism, not hatred for Jews, is the question of paramount concern.

It is significant to note that various rabbis throughout the world have condemned Communism. Also, it is a matter of record that the B'nai B'rith adopted a resolution at their National Convention in Washington, D. C. in 1938 abhorring Communism. The words of their resolution are in part as follows:

"The great masses of the Jewish people are faithful to the religious teachings of their fathers. Judaism is a part of their life. In it they find consolation and hope. They believe in its precepts and in its prophecies. Russian Communism has fought unremittently against the religious faith of the Jew. A Communist who was a Jew is now an apostate. Communism would destroy religious faith. If Communism were to rule, it would destroy both Judaism and Christianity. There are some Communists who were born Jews, just as there are Communists who were born Protestants and Catholics, but it is unjust for this reason to accuse either one of these religious sects with the responsibility of Communism." (Father Coughlin—*His "Facts" and Arguments*, p. 43.)

Informed persons take exception to the statements made in the above quotation. First and foremost, the great masses of the Jewish people are not faithful to the religious teachings of their fathers. The great masses of Jews have abandoned their Mosaic religion.

Second, the B'nai B'rith statement confuses the public by using the word *Jew* in relation to religion only, whereas, in truth it is also used extensively in relation to race. When a Jew apostatizes from his religion, he does not cease to be a Jew racially.

At no time did Father Coughlin condemn religious Jews. Moreover, it is admitted that a religious Jew, faithful to the precepts of his ancient religion, cannot be a Communist.

The B'nai B'rith statement is juggling truth by expressing half-truths. No one is inveigled by the assertion that a racial Jew

ceases to be a racial Jew when he adopts the errors of Communism. (See Appendix X.)

In concluding this chapter, let it be re-stated that Father Coughlin invites religious Jews to cooperate with him in condemning irreligious Jews who have succumbed to the allurements of Communism. At least he was intelligent enough to recognize the dual meaning of the word, *Jew*—a meaning that can be taken either in a religious sense or a racial sense.

Therefore, we quote for the edification of Jews as racialists the timely remarks contained in a statement issued by James W. Gerard, former ambassador to Germany. They are these:

"As a friend of the Jewish people, I want to state that if the American nation ever gets the idea that the Jewish race and Communism are synonymous there is a possibility of a pogrom in the United States that will make those of the Czar's era in Russia look like a small parade." (*New York Times*, Oct. 8, 1934.)

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## CHAPTER XIII

### WHY ARE JEWS PERSECUTED?

It is obvious that Father Coughlin's critics endeavored to single him out as the one great anti-Semite within the Catholic Church. Recollecting the letter addressed by Benedict XIV to the Polish Church; recollecting the statements incorporated in the previous chapter, it is evident that many high, informed and renowned ecclesiastics criticized Jews—and they were not anti-Semites; for their criticism was directed not against Jews as Jews but against Jews as radicals.

Father Coughlin recognizes that the addiction to Communism on the part of many Jews is a cause of their persecution. He pleads with the religious Jews, even at the cost of dissociating themselves completely from the radical members of their race, to condemn Communism and to use their vast influence in liquidating it.

While on this subject of why Jews are persecuted, let there be inserted at this point a portion of an article from *The Sign* magazine, a Catholic publication (April, 1938):

"Now, persecution is never right but it must be admitted that the Jews have at times offered some ground for the assaults which have been made on them. Since the outbreak of hostilities in Spain, the Jews of the world have shown a united front against Franco and Nationalist Spain and in



favor of the Madrid-Valencia-Barcelona régime. They have used all the resources at their command through propaganda and material assistance to aid the cause of the Reds and to harm that of the Nationalists."

The article continues with these remarks:

"Generalissimo Franco appears at present to be well on his way towards bringing the whole of Spain under his control. When that is done we hope that he will be a good enough Christian to forget the hostility of World Jewry in his hour of need and will repress any attempted reprisals. If he fails in this, the Jews of the world should remember that it was they and not he who declared war." (See Appendix XI.)

Considering that Jews are a minority, not only in the world but in every nation in the world; and considering that almost without exception Jewish leaders supported the anti-Christian movement in Spain, did not their actions invite repercussions? Were not the enemies of General Franco definitely anti-Christian?

Did not the press, radio and silver screen, wherein the Jews hold such prominent and powerful positions, conceal the truth of the Spanish civil war and favor the cause of the anti-Christians? These are provocative questions and are pertinent to the heading of this chapter.

The *Jewish Chronicle* in its issue of April 4, 1919 published that:

"There is much in the fact of Bolshevism itself, in the fact that so many Jews are Bolsheviks, in the fact that the ideals of Bolshevism at many points are consonant with the finest ideals of Judaism. . . ."

This and similar statements published by Jews partially answer the question: "Why are Jews persecuted?"

The Catholic press in many countries pointed out these facts long before Hitler became a world figure. For instance, in Italy, as far back as May, 1928, we have the following powerful testimony from that excellent Catholic Jesuit publication, *Civiltà Cattolica* (May 19, 1928, p. 341):

"But coming to the topic to which the document invites us, to the Jewish peril that threatens the whole world by its pernicious infiltration and evil influences, especially among the Christian nations and more particularly among the Latin Catholics, where the blindness of the old liberalism has particularly favored the Jews, whilst it persecuted the Catholics, most particularly religious, this peril becomes every day more and more threatening. It is to the credit of our periodical—we may say this in all sincerity—that we have denounced this peril from its very beginning. We have denounced it,

furnishing documents, proofs and facts of the frequent and undeniable alliance with Masonry . . . or other sects and societies camouflaged as patriotic, but in reality fluctuating towards or tending in fact to the subversion . . . of the modern civil and religious society.

"Rejecting the propensity of those who wish to hold the Jews responsible for all the worst events afflicting the world, and Europe in particular, we have tried, as can be seen, for instance, in the question of Bolshevism, to show clearly in these pages how great has been the responsibility and the preponderance of the misguided generation of Jews in the Russian revolution, as well as already in the French, and in the more recent one in Hungary with all their concomitant destructions, cruelties and savage horrors. From the Russian revolution, the dissolution of the Russian Empire and the tyranny of Bolshevism which now threatens Europe, have resulted. This fact is admitted by all those who are best informed upon contemporaneous history.

"It is vain indeed that a Jewish revue, *Univers Israelite*, (August 8, 1925) has endeavored to prove that the Jews in Russia did not create Bolshevism but only Menshevism. Vain efforts indeed not only by reason of the weakness of the arguments, but also even if the claims were true, because it is certain that Menshevism was merely a step, a decisive step, towards Bolshevism, just as liberalism was a step towards Socialism and the latter towards Communism which led finally to the impiety and barbarity of the Bolshevik anarchy.

"To such extremity has the Jewish propaganda, in alliance with the Masonic and the Bolshevik led us. We cannot understand why it is protected by governments which pretend to oppose resolutely all such Masonic, liberalistic, Socialistic and Communistic propaganda. In less than a century this propaganda has led from complete toleration, or from a status rather of privilege than of simple liberty or equality which was conceded to the Jews, to their hegemony in many fields of public life especially in the economic and industrial field and in the domains of high finance, where they hold a dictatorial preponderancy which empowers them to make laws for States and governments, in matters concerning politics and finance without fear of a rival, as has happened during the great war.

"And in spite of this" (their small percentage of the total population), "they" (the Jews) "hold leading positions in the industries, in the banks, in diplomacy and even more so in the occult societies plotting their world hegemony.

"We hear that many statesmen, politicians, journalists and other writers complain about this state of affairs; and even more bitterly the industrialists and financiers. But not one



of these, while placing the blame upon the Jews, considers how great is his own complicity and how terrible his own responsibility when all modern societies are in such a deplorable condition. It is they, who in conjunction with the sons of Judea, have prepared and unleashed the religious persecution against the Catholics and against the clergy; and also the anti-Christian strife which is the basis of the whole liberalistic and Masonic movement. Hence the alliance of liberalism and Judaism with Masonry that has finally given to the race and nation of the Jews such a great influence may indeed reach a great social preponderance for Jews in all domains of modern life especially in the economic field. This is a sadly humiliating subjection, but it is the result and the punishment of this false liberal patriotism and of its insincere *Nationalism*. It is evident that Italy has been compelled to subject herself in large measure to this pernicious influence because of her social, economic and political conditions just as other nations, especially the Latin nations, are also subject to it. But what is even more deplorable is that the people not only adapt themselves to it but that they also are pleased with it and show it favor, as for example, when this influence is favored by the so-called *League of Nations*."

Even before Herr Hitler became the German Fuehrer the Catholic press of Germany had much to say concerning the deplorable conditions, from the Christian standpoint, which existed in that country. The following extract from the internationally famous Catholic weekly *Schönere Zukunft* of November 13, 1932, is from the pen of Dr. Joseph Eberle and shows the Austro-German Catholic reaction against the Jewish control of German life. He says:

"To-day, Catholics are almost completely silent about the question of Judaism, though Jewish influence, not only in Russia, Hungary, Poland, France, England, America and Austria, but also in Germany, has attained a degree of power and might, altogether out of proportion to the number of Jews in the total populations of these countries. Three-fourths of the large banking concerns, at the head of which we must place the four big D-Banks—Deutsche Bank, Darmstädter Bank, Diskonto-Gesellschaft and Dresdener Bank—three-fourths of the big exchanges, including those of Berlin, Frankfurt and Hamburg, three-fourths of the principal commercial enterprises, including those of Karstadt, Tietz and Werheim, three-fourths of the leading newspapers, of the publishing firms, of the telegraphic and advertising agencies, of the groups controlling theaters and cinema, are Jewish.

"In Austria, matters are still worse. Of course, there are still many non-Jewish, industrial magnates, but they are becoming more and more subservient to banks directed by

Jews. There are certainly still to be found rich landed proprietors and wealthy financiers who are Christians, but so far as the direction of economic affairs is concerned, they are without influence, in comparison with Jewish financial magnates, such as Charles Fürstenberg, Dr. Solmssen, Mammroth, Bleichröder, Speyer-Ellissen, Sobernheim, Iandau, Arnhold, Dr. Solamonsohn, Eugen Gutman, Von Straus, Kempner, Freiherr von Oppenheim, Warburg, etc. There are still influential Catholic publishing firms, but even firms like those of Herder and Kösel-Pustet are much inferior to the Jewish publishing firms of Ullstein, Mosse, Cassirer, E. Goldschmidt, etc. There are certainly many non-Jewish writers, nevertheless we learn from statistics of the publishing business that, in Germany, foreign and Jewish authors are more widely read than German and Christian authors, so that Börries von Münchhausen speaks of the passing of the German soul. It can be established also that the best known non-Jewish men of letters, as for example Gerhart Hauptmann and Sudermann, owe their literary success to their friendliness towards Judaism. Such are the intellectual and economic power and influence of Jews in Germany today. And yet Catholics in great measure keep silence about the matter. This silence is, in part, due to ignorance, especially in the provinces. But it is also due to an already existing dependence on Jews. Three-fourths of the

Christian newspapers would be reduced to two-thirds or even one-half of their present size, if they were compelled to give up the advertisements of Jewish shops and banks, and Jewish advertisements would not be forth-coming if the Jewish question were treated of."

Corroborating the above statement and, at the same time, clarifying it, the following is taken from *Civiltà Cattolica* (an official Jesuit publication), October 1, 1938:

"We, like our predecessors, insist that one and the other" (justice and charity) "must be practiced and maintained towards the Jews, even though it may be a certainty that they will not practice these virtues towards us. Certainly, they have never practiced these virtues during past persecutions of the Church caused or promoted by them in co-operation with Masonry—which they have upheld too often—or with other subversive and anti-Christian parties existing from the era of the 'great' French Revolution down to our own day.

"But this has never led us and it will never lead us to pay them back in the same coin; but, nevertheless, we are inspired to put every obstacle in the way of their wrong doing and to protect others from their preponderant influence—and we do this for the commonweal, moral and religious, and especially for the protection of the Jews themselves.



"In 1890 our *Review* insisted on this last point—the discovery of a method to harmonize the presence of Jews with the rights of Christians. Such a method must regulate the presence and residence of Jews by laws designed to prevent the Jews from injuring the common welfare of Christians and to restrain Christians from injuring the welfare of the Jews. Consequently these laws are not odious and unfavorable but rather framed for the mutual advantage of Jew and Christian.

"Our predecessor of the preceding century thinks that the absolute civil equality which liberalism granted to the Jews, and which joined them to the movement of Masonry was not only not due to them, since they have no right to it, but it is also harmful to them and to the Christians. He was of the opinion that 'sooner or later by agreement or by coercion they will have to remake' what has been undone a hundred years ago in the ancient civil legislation out of love for innovations, for an apparent liberty and a false progress. 'And perhaps,' he added, 'the Jews themselves will be forced to ask that the legislation will be recast.' The reason for this prophecy is now apparent to us; because we see today that the preponderance to which the revolutionary legislation has raised them is digging an abyss beneath their feet—an abyss equal in its depth to the heights on which they find themselves.

"But above all, we have a very good reason to consider if all that our predecessor denounced in 1890 is not too true now and has not been confirmed by the experience of half a century, namely, 'that the equality given to the Jews by the anti-Christian sect, wherever it has usurped the government of the people, has created the effect of uniting Judaism with Masonry in the persecution of the Catholic Church and of exalting the Jewish race above the Christians in occult force and evident opulence'."

"Why are Jews persecuted?"

There is a theological reason. There is a social reason. There is an economic reason. And all these reasons were well known to Father Coughlin who invited the religious Jews to cooperate with him in cleansing America of Communism from whose unholy loins there sprang unholy Naziism with its resultant persecution.

Possibly, as the Radio Priest said in one of his addresses, it is more a question of Semitism in America than of anti-Semitism. And possibly, Semitism, which religious American Jews have permitted to be labeled as internationalism, to be identified with Communism, to be associated with usury, and to be wedded to untruthful propaganda—possibly within the orbit of that sphere one can find the reason for the persecution of the Jews. (See Appendices XI and XII.)

## CHAPTER XIV

### THE JEWS, THE PRESS, THE SPANISH CIVIL WAR—AND (SILENCE?)

For many months, and particularly since November 20, 1938, Father Coughlin has been attacked by a portion of the press of the nation. Why?

In attempting to answer this question, first of all, there are presented to our readers the following quotations:

The late Pius XI wrote as follows:

"A third powerful factor in the diffusion of Communism is the conspiracy of silence on the part of a large section of the non-Catholic press of the world. We say conspiracy, because it is impossible otherwise to explain how a press usually so eager to exploit even the little daily incidents of life has been able to remain silent for so long about the horrors perpetrated in Russia, in Mexico and even in a great part of Spain; and that it should have relatively so little to say concerning a world organization as vast as Russian Communism.

"This silence is due in part to short-sighted political policy and is favored by various occult forces which for a long time have been working for the overthrow of the Christian Social Order." (*Encyclical Atheistic Communism.*)

Archbishop John J. Mitty of San Francisco, participating in a Catholic broadcast designed to express sympathy for the persecuted Jews of Germany, said on November 16, 1938:

"As Catholics, we have a deep and immediate sympathy with the Jewish men and women who are being lashed by the cruelty of fierce persecution. They, for racial reasons, and we, for our religion, are writhing in Germany under the same intolerant power.

"We sympathize for another reason. For more than two years our fellow Catholics have suffered a parallel crucifixion in Spain and our sympathy for them has largely been in silence. The facts were plain. They are vouched for by the unanimous testimony of the venerable body of bishops in Spain. They witnessed and lived through the horrors which they related in their joint letter to the world.

"They told of the destruction of churches, convents, schools, hospitals, institutions of charity. They saw the flames and the smoking ruins. They saw the artistic and architectural treasures of centuries reduced to ashes by the mad fury of diabolical hatred. They saw thousands of their own priests, and innocent helpless nuns murdered or driven naked like hounded beasts through the streets by crazed



mob, dead to decency and to the least tingle of human feeling. The government meanwhile connived or was incompetent and the fury went on.

"We in this country read very little of this monstrous story whose record was written month after month in human blood. Somebody muzzled the correspondents; somebody controlled the cables; somebody closed the columns of our press."

Hilaire Belloc wrote relevant to the press:

"One small but significant factor in the whole business of these 70's and early 80's—the beginning of the last quarter of the nineteenth century—was the rise to monopoly of the Jewish international news agents, among which Reuters was prominent, and the presence of Jews as international correspondents of the various great newspapers, the most prominent example being Oppen, a Bohemian Jew, who concealed his origin under the false name of 'de Blowitz,' and for years acted as Paris correspondent for *The Times*, a paper in those days of international influence." (*The Jews*, p. 48.)

The conclusion one is apt to draw from the previous quotations is that the authors of this conspiracy of silence were Jews. They were naturally indifferent to the sufferings of Christians in Communist nations because atheistic and irreligious Jewish commissars, possibly, were endeavoring to establish Israel's world hegemony in international Sovietism.

The only obstacle to Jewish plans, so we are informed, was the Catholic Church. In an editorial of the *Jewish Sentinel* (November 26, 1920) this sentiment is expressed:

"Our only great historical enemy, our most dangerous enemy, is Rome in all its shapes and forms, and in all its ramifications. Wherever the sun of Rome begins to set, that of Jerusalem rises."

Many quotations from responsible and authoritative Jewish authors demonstrate that world Jewry favors Communism. The few individual denials which the General Jewish Council booklet has featured merely emphasize that official Jewry has not condemned Jewish Communists. During the civil war in Spain what representative body of Jews openly condemned the Loyalist-Communists? None! From the time of the second Russian Revolution in 1917 down to the present, what official, representative body of Jews excoriated Stalinism and condemned Communism? None!

Therefore, the reader must not permit his mind to be confused by the idle propaganda of the press and radio that such condemnation was ever uttered.

Now that the entire world knows that the Spanish war was a conflict between Christianity and Communism, between Chris-

tocracy and Satanocracy, what must be the conclusion arrived at by the citizens of the United States when the conspiracy of the press fortunately was disclosed?

No one disputes where the forces of Christianity stood in this contest. Pius XII in his telegram to General Franco said:

"We lift our heart unto the Lord in sincere gratitude for Your Excellency's desired victory for Catholic Spain. . . ." (*Spain*, May 15, 1939, p. 21.)

On April 16, 1939 the Holy Father, in a speech broadcast to the Spanish nation, said:

"The nation chosen by God to be the principal instrument for the evangelization of the New World and an impregnable bulwark of the Catholic Faith, has just given to the proselytizers of the materialistic Atheism of our age the highest proof that the eternal values of religion and of the spirit stand above all things."

His glorious predecessor, Pius XI also wrote:

"The fury of Communism has not confined itself to the indiscriminate slaughter of bishops, of thousands of priests and religious of both sexes; it searches out above all those who have been devoting their lives to the welfare of the working classes and the poor. But the majority of its victims have been laymen of all conditions and classes. Even up to the present moment, masses of them are slain almost daily for no other offense than the fact that they are good Christians or at least opposed to atheistic Communism. And this fearful destruction has been carried out with a hatred and a savage barbarity one would not have believed possible in our age." (*On Atheistic Communism*.)

In 1937, Msgr. Garcia, Bishop of Tuy, Spain, declared:

"It is evident that the present conflict is one of the most terrible wars waged by Anti-Christ, that is, by Judaism, against the Catholic Church and against Christ." (*The Mystical Body of Christ in the Modern World*, Rev. Denis Fahey, p. 264.)

Very Reverend Martin Gillet, Master General of the Order of Preachers, declared:

"We desire the complete triumph of the creators of this great Christian epic, written with the blood of so many martyrs, among whom figure already more than 100 Dominicans, our brothers, headed by our holy predecessor, the Most Reverend ex-General Fr. Buenaventura G. Paredes." (*London Catholic Times*, October 21, 1938.)

Dr. Alexander Hamilton, founder of the School of Geography at Harvard University, said after his return from Spain in 1938, that the Spanish conflict was a battle between Christianity and



atheism and that Fascism had no part in the struggle.

"The Spanish Nationalist war is a holy war and the holiest war in history," says Father Menendez-Reigada, O.P., of Salamanca University.

Indeed, it has been evident that international Jewry has favored the Communist-Loyalists of Spain. As is well known, the Comintern dispatched Jewish Communists over the Pyrenees to Spain to act as agents of agit-prop under the direction of Moise Rosenberg, Heinz Neumann and Bela Kun—the men who, above all others, were responsible for the revolution. (See testimony of Cardinal Baudrillart.)

Reverend Joseph F. Thorning, Ph.D., described the pro-Communist attitude of many Jews in London. (*The Sign*, April, 1938.)

At the thirty-seventh annual convention of the Rabbinical Assembly of America, presided over by Dr. Cyrus Adler, 200 rabbis adopted the following resolution:

"The conflict in Spain between the accredited legally elected government and the Fascist Rebels is of signal importance as foreshadowing the world struggle between democracy and the forces of oppression. We are particularly heartened by the active support given by large sections of the clergy, particularly in the Basque country, to the Loyalist government, which had made democracy and social progress its watchwords." (*New York Times*, June 8, 1937.)

The June, 1933 issue of *B'nai B'rith* praised Inacio Bauer, president of the Kehillah of Madrid, and bemoaned the fact that "Spaniards everywhere still spoke of the Jew as though he were . . . a cancer in Spain."

At a memorial meeting held in honor of the young Jew, Samuel Levinger, killed in action in Spain fighting for the Loyalists, a collection was taken up "to buy an ambulance for the Spanish Loyalists in memory of 'those heroic American Jews who gave up their lives in Spain in the struggle against international Fascism.'" (See *B'nai B'rith*, March, 1938, p. 234.)

*Jewish Life*, published by the New York State Jewish Bureau, Communist Party, in an article entitled *Jewish Fighters in Spain*, says:

"Jews from practically every corner of the earth are fighting in the Loyalist trenches of Spain today . . . The American boys who came back were most impressed by the broad distribution of Jews in practically every International Brigade. . ." (January, 1938, p. 16.)

The same article, boasting that more than half of the Americans in one battalion were Jewish and that Yiddish was the common language, announced: "We are beginning to publish a bulletin of

the International Brigade in the Yiddish language."

"Condemnation of Fascist forces in Spain and an expression of direct sympathy with the cause of the Loyalists was expressed here today by the Central Conference of American Rabbis in a resolution adopted just before the adjournment of their annual meeting. 'This Spanish revolt is the crisis of world fascism at the present moment', the resolution stated. 'The victory of the fascist forces in that country would be a menace to the cause of democratic government and to the peace of the world.'" (Central Conference of American Rabbis held in Columbus, Ohio, May 30, 1937 as reported in the *New York Times* of May 31, 1937.)

The New York Jewish daily, *The Day*, May 11, 1937, quotes the following with approval:

"The Social Justice Committee of the Rabbinical Assembly" (largest rabbinical organization in America) "favors the general tendency of the recently adopted social legislation, and in particular approves the scope of the T.V.A. . . . It endorses the President's plan for the reorganization of the Supreme Court. . . It sends its *heartiest best wishes to the Spanish Loyalist Government.* . ."

When a committee was organized in the United States to keep the Spanish Embargo and thereby prevent the shipment of arms to the Communists in Spain during the days of the Spanish Civil War, 125 Catholics and non-Catholics joined the said committee. Maurice Bisgyer, national secretary of *B'nai B'rith*, also joined this committee at the outset. A short time thereafter, however, he ordered his name to be stricken from the list of the committee organized by the National Council of Catholic Men.

The Russian-Born Jew, David Dubinsky, collected money from the I.L.G.W.U., a preponderantly Jewish labor union, at the very outset of the war for the support of the Spanish Loyalists. Mr. Dubinsky also pictured a time when the entire labor movement of the world would be united. He praised "those who have been fighting not only for Spain but for the labor movement of the entire world against Facism. . . . The progressive labor movement here prays that the Loyalists will be victorious."

At the National Unity Convention of the Jewish People's Committee for United Action Against Fascism and Anti-Semitism, Representative William I. Sirovich of New York, a Jew, asserted that "the fate of democracy for the next hundred years" would be decided at Madrid. (*New York Times*, March 14, 1938.)

Borough President Stanley M. Isaacs attacked the Neutrality Act at a rally of about 20,000 Loyalist sympathizers held in Madison Square Garden. He said:



"To shame this country of ours by its departure from historic American principles and by the hasty adoption of an unsound neutrality program has helped to undermine democracy in Spain." (*New York Sun*, June 10, 1938.)

The fall of Barcelona and the surrender of Madrid destroyed the hope of world Jewry in making Spain a *Judaea Secunda* and in wiping out in blood the insult of the nation's expulsion of the Jews and the Spanish Catholics' inquisition of Jewish converts.

The Reverend Denis Fahey, C.S.Sp., notes in his authoritative work, *The Mystical Body of Christ in the Modern World* (p. 326):

"By a communication of the Kipa (Catholic) Agency we are informed that a Jewish leader named Rubenstein, returning to the United States after having interviewed the Jewish Vice-president of the Spanish senate, A. Pulido, about the outlook of the Jews in republican Spain, declared that 'the Jews can look with confidence on Spain as a land of new hopes and bright prospects'."

In years to come the same press that distorted the real news of the depression; the same press that stooped to publish the British propaganda which inveigled us into the World War; the same press that, either wittingly or unwittingly, perverted the news of the Spanish civil war—that same press will be recognized as responsible for publishing defamation upon defamation to discredit Father Coughlin who, through circumstances not of his own making, was the chief enemy of Communism and its fellow travelers in America, and recognized as such by Jews.

## CHAPTER XV

### WHAT NON-NAZIS SAY OF THE JEWISH SHARE IN MID-EUROPEAN COMMUNISM

The authors of the General Jewish Council booklet (p. 39) maintained that Father Coughlin attempted to place the total responsibility for Communism in Germany upon Jews. Said they:

"There is a striking resemblance between the Hitler and the Coughlin attempts to fasten responsibility for Communism upon the Jews in complete disregard of the actual facts. An examination of the facts reveals that the Jews actually played an insignificant part in German Communism . . .

"The leaders of Communism in Germany—Thaelmann and Torgler—were both Gentiles.

"In spite of this conclusive evidence, Hitler persists today in repeating that he rescued Germany from 'Jewish

Communism.' And Father Coughlin, relying for his 'facts' upon Nazi propaganda, continues to broadcast the same fiction throughout the United States."

Had Father Coughlin attempted to do this, he would have erred. No one, however, can point out with definite text and context where this alleged attempt was made by the Radio Priest.

## A

As for the assertion that Thaelmann and Torgler, the Gentiles, were the leaders of Communism in Germany, history records a different fact. For example, Prof. Simon Dubnow, a foremost Jewish historian, in his *Theodor Herzl—A Memorial (World Jewry Since 1914)*, published by *The New Palestine*, p. 286) says:

"Shortly after this" (Communist Revolution in Russia) "the Communists in Bavaria seized the government and proclaimed a Soviet Republic which, however, lasted only one month, from the beginning of April to the beginning of May. Here too a few tragic Jewish figures flit across the screen of the revolution . . .

"Then there was Eugene Levine, another Jewish participant in the Communist upheaval in Bavaria. As a youth he had been involved in the Russian Revolution of 1905. During the World War he had been an active pacifist propagandist. He was arrested with other leading Munich Communists and sentenced to be shot by the military tribunal on June 4th."

To corroborate this statement, which we selected from an admittedly Jewish source, we submit more specific proofs. The French newspaper *VU*, directed by the Jew, Lucien Vogel, published a special edition in April, 1932, dedicated to Germany. In it we read:

"The Revolution of 1918 (Kurt Eisner, Karl Liebknecht, Rosa Luxemburg, Hugo Haase) marked the public triumph of socialistic politics . . .

"Like the second internationale (program of Linz, of Otto Bauer) the soviet movement (Eisner, Ernst Toller, Radek and Landauer) and later the new Constitution of Weimar (Hugo Preuss) are equally the work of Jews . . .

"We have seen how the Revolution of 1918 realized in some manner, the emancipation of the Jews. Led by Israelites, it marked also the triumph of Judaism: before that time, the Jews exercised scarcely any activity in the affairs of bankers. After 1918, they possessed all, even in the sphere of government, in the zones of influence and of power."

In the Communist Revolution in Bavaria in 1919 we find the following leaders (list from *La Mystérieuse Internationale Juive*



by Leon de Poncins :

M. Levien .....	Jew
Axelrod .....	Jew
Rudolf Eglhofer .....	Jew
Levine .....	Jew

The leaders of the Communist Revolution in Hamburg\* were the following:

Hugo Urbahns .....	Jew
Heinz Neumann alias Neuberg .....	Jew
Hans Kippenberger alias Langer .....	Jew
Walter Burmeister alias Walter Zeutschel .....	Jew
Ernst Thaelmann .....	Gentile
Sobelsohn alias Karl Radek .....	Jew
Otto Marquardt .....	Jew

The last two names were of men who were members of the Russian Commercial Mission in Hamburg.

In the book, *Communism in Germany* (Ehrt, p. 20) we read:

"It is worth noting that the agitation for a rising in Hamburg in 1923 was conducted under the same slogan of 'anti-Facism' as in 1932 and 1933. Russian Jews were again the leading persons concerned in the preparation of the rising. On this occasion there were Sobelsohn, alias Karl Radek, and Otto Marquardt, member of the Soviet Commercial Mission in Hamburg."

The leaders of the Spartacus League, from which the revolution took its name, "Spartacist Uprising," were, among others:

Kurt Eisner .....	Jew
Hugo Haase .....	Jew
Clara Zetkin .....	Jewess
Rosa Luxemburg .....	Jewess
Karl Liebknecht .....	Half-Jew

The last two were shot by the soldiers of General Noske.

Leon de Poncins in his book *La Mysterieuse Internationale Juive*, informs us that nothing is more characteristic than the fact that after the Revolution of 1918, almost all the leaders of Socialism and Bolshevism were Jews. The Jew, Kurt Eisner, boasted that he and ten other Jews had made the revolution: Lowenberg, Rosenfeld, Wollheim, Rothschild, Arnold, Kranold, Rosenhek, Birenbaum, Reis and Kaiser.

The Jew, Joffe, who represented the Soviet Government in Berlin, together with Russian Cheka member, Gorev-Skoblewsky, admitted publicly in 1918 that he had given money to Hugo Haase for propaganda purposes and 10-million rubles were given to

Oscar Kohn to foster the revolution in Germany. (*La Mysterieuse Internationale Juive*, Chapter entitled *Les Juifs Dans Le Mouvement Révolutionnaire Allemand De 1918 A 1933.*)

In Hungary the two principal leaders and terrorists of the Communist Revolution were Jews, Bela Kun and Szamuely. Most of the commissars were Jewish; while the five members of the Directing Committee were all Jews, to wit:

Bela Kun alias Cohn .....	Jew
Bela Vago alias Weiss .....	Jew
Joseph Pogany alias Swarz .....	Jew
Kunfi (Kunstatter) .....	Jew
Tibor Szamuely .....	Jew

## B

In Hungary several Jews of the Russian Bolshevik type appeared. Bela Kun, who formerly had been Minister of Foreign Affairs, created trouble in his fatherland during the five months of Soviet government in Hungary—from March through July, 1919. He then fled to Russia and received a responsible appointment in the Crimea; and there he became known as one of the most brutal exterminators of the *bourgeoisie*.

The *Encyclopedia Britannica*, XIII—fourteenth edition—says:

"Kun commenced a 'Red Terror' against his enemies in Hungary, and again attacked the Roumanians, but they easily drove his forces back, and he fled to Vienna on August 1, 1919. Here he was interned in the local lunatic asylum, but after an attempt had been made to murder him by means of poisoned Easter eggs (which, being a Jew, he did not eat), he was allowed to go to Russia. Here he played an obscure but apparently important part, and was believed to visit central Europe periodically."

And to testify further to the part played by Jews in the Communist uprising in Hungary we quote Prof. Simon Dubnow who, in his *Theodor Herzl—A Memorial*, (pp. 286-287) published by *The New Palestine*, says:

"During the years that followed the Hungarian Jews paid heavily for the part played by Kun and several other Jewish madmen in the Communist Revolution. Hundreds of Hungarian Jews fell victims to the reactionary terror that raged under the dictatorship of General Horthy."

The authors of the General Jewish Council booklet, page 35, in tracing out the similarities between Dr. Goebbels' speech and an article appearing in *Social Justice* on December 5, 1938, note with a certain amount of exuberance that Father Coughlin "seems to have improved a thousandfold upon Goebbels' figures" (regarding the number of Hungarians put to death by Bela Kun). Actually, Dr. Goebbels said: "In Budapest 20 hostages were murdered," whereas Father Coughlin said: "In 1919 Hungary, a neighbor to

\**Communism in Germany*, Adolf Ehrt, p. 19.



Germany, was overrun with Communists. The notorious atheist, Bela Kun, a Jew whose real name was Aaron Cohn, murdered 20,000." Dr. Goebbels was talking about a specific incident—the murder of hostages in Budapest—whereas Father Coughlin was talking about the entire Communist Revolution of 1919.

A study of such books as *A Voros Uralom Aldozatai Magyarorszag* will indicate that Father Coughlin was correct in his statement.

The above-mentioned book (English translation), *Victims of the Red Régime in Hungary*, written by Dr. Albert Vary, assistant attorney to the Crown, is a transcript of official reports and trials conducted during the Soviet régime. It shows that during the 133 days of Bela Kun's reign over Hungary, eight out of ten of the real rulers of Hungary were Jews, while 31 out of 45 commissars were Jews.

An official document published by the first Communist cabinet in Hungary in the *Budapesti Kozlony*, March 24, 1919, indicates the following, namely, that the Jews were in entire control in various commissaries and departments in the Hungarian Government. Contemporary literature, especially newspapers, bear out the fact that more than 20,000 people were killed in the Kun uprising, or purge, during the 133 days of Bela Kun's dictatorship.

On page 374 of the hearings before a special committee on un-American activities in the House of Representatives an authoritative witness testified:

"Killed in revolutions and counter-revolutions in Hungary during and after the Bela Kun Soviet government periods, 700,000." (Walter S. Steele, *Investigation of Un-American Propaganda Activities in the U. S.*)

Father Coughlin had no need to improve upon Dr. Goebbels, or, for that matter, even to consult him when he had at hand authentic documents, some of them official reports of this Hungarian Government.

## C

As for Spain, history records that Möise Rosenberg, Heinz Neumann, and Bela Kun were the active agents of the Comintern in imposing Sovietism on that unhappy country and in the Loyalist-Nationalist struggle which followed with the murder of over a million Christians in a civil war.

If the authors of the General Jewish Council booklet were writing the historical facts which Dr. Goebbels and Father Coughlin wrote, how would they write them? If they set out to write facts as facts they would have to write them in essentially the same way. Hence we could say that they relied upon Dr. Goebbels and Father Coughlin for their information, if we acted on the same *illogical*

principle which the authors of the General Jewish Council booklet employ.

The important question is: Are the *facts* narrated by Dr. Goebbels and Father Coughlin true? They are. We observe that the authors of the General Jewish Council booklet did not try to disprove them. Evidently, by their silence, the authors of the booklet admit that the facts are undeniable; even though the same authors would try to create the impression that the facts were the Reich Minister's fancies doled out as *facts* by Father Coughlin.

Having quoted a few of the many authors who have given testimony to support Father Coughlin's contentions, may we invite students to pursue this subject further by reading the following authoritative works:

*Communism in Germany*, Ehrh, 1932, called also *Revolte Armee* (1933); *La Revolution Allemande*, Paris, Plon, 1933, E. O. Volkmann; *Bolshevismus und Judentum*, Berlin, 1934, Herman Fehst; *La Livre Proscript*, Paris, Plon, Cecile Tormay, 1925; *Germany's Fight for Western Civilization*, Berlin, 1934, Edward O. Jannrowski; *Bilder Aus Dem Kommunistischen Ungarn*, Dr. Hans Eisele, 1920.

The findings of these students, most of whom lived through the attempts of the Communists to capture Germany, Hungary and Spain, are considered to be reliable.

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## CHAPTER XVI

### IN CONCLUSION

It would be a difficult task to list the names of persons and organizations cooperating in accusing Father Coughlin of being an anti-Semite, a pro-Nazi, a falsifier of documents and a priest in bad standing.

It has been impossible to list in *An Answer to Father Coughlin's Critics* the identity of the hundreds of periodicals, pamphlets and leaflets circulated to spread these charges.

It is sufficient to recognize them as rivulets flowing from the fountainhead of the General Jewish Council's booklet and the Jewish People's Committee.

In treating, factually and objectively, with the General Jewish Council's booklet which was mailed extensively throughout America, we believe we have contributed a service to the cause of truth and justice.

Moreover, we have made an effort to avoid stinging personalities. Likewise, we have made an effort to refrain from praising



Father Coughlin because such a technique weakens rather than strengthens a polemic argument.

The second chapter of *An Answer to Father Coughlin's Critics* dealt specifically with the Jewish People's Committee. Therein it was necessary to mention the names of the officers of that organization. Therein was incorporated the question: "Is arson being committed in the north end of town while a false alarm is being sounded in the south end?" Therein it was stated that Welwel Warszower, alias William Weiner, Robert William Weiner, etc., was the third officer in command of the Communist Party in America and that he was under indictment for fraudulently securing a passport.

Since that chapter was written Welwel Warszower, alias William Weiner, chieftain of the Jewish People's Committee, was found guilty and sentenced.

*The New York Herald Tribune*, in its February 9, 1940 issue, published the following news item relative to Weiner's trial. It reads, in part, as follows:

"Welwel Warszower, national treasurer of the Communist party in the United States, went on trial yesterday in United States District Court before a jury of one woman and eleven men and Judge John C. Knox on charges that he obtained a passport fraudulently, the same charge on which Earl R. Browder, general secretary of the Communist party, was convicted on January 22nd.

"Warszower, who has long been known as Robert William Wiener to members of the Communist party here, was indicted on December 4, by the same grand jury which has indicted three other prominent Communists in an investigation into the activities of an alleged Communist passport mill. It was charged that Warszower, on July 31, 1936, obtained a passport by making four false statements."

Observe that neither *The New York Herald Tribune* nor any other daily paper, to our knowledge, referred to this criminal as the head of the Jewish People's Committee—the organization that was responsible for originating the complaints against Father Coughlin to the United States Department of Justice.

That omission is most significant. "Is arson being committed in the north end of town while a false alarm is being sounded in the south end?"

Why did not the press of the nation publicize Weiner's connection with the Jewish People's Committee, the organization, with the General Jewish Council, responsible for launching a campaign to discredit Father Coughlin?

It is opportune to state in these concluding pages that a large portion of the American press sought to associate Father Coughlin's name with the arrest of 17 men designated by the Department of Justice as members of "*The Action Committee*." This portion of the press persisted in identifying these 17 prisoners as members of *The Christian Front* and intimated that Father Coughlin was the sponsor of that organization.

Almost coincidentally, criminal charges against Father Coughlin were registered with the United States Department of Justice by the Jewish People's Committee. This news also received national front-page publicity.

Meanwhile, both in editorial and in news article, the members of the so-called Christian Front and Father Coughlin were tried in the court of the public press and, for all practical purposes, were found guilty by the jury of public opinion.

One suspects that this molding of public opinion was the object that the Jewish People's Committee had in mind; and one suspects that they knew beforehand how to secure publicity for their charges.

In conjunction with this, it is appropriate to remind the reader that on February 6, 1940, 16 persons were arrested in the City of Detroit, Michigan for having aided in recruiting volunteers to serve in the Loyalist-Communist army in Spain. Incidentally, many of these 16 persons were Jews.

To the surprise of all, the charges brought against these 16 workers for the Loyalist-Communist cause in Spain were dropped by order of Attorney General Jackson. He based his decision upon the fact that if he should pursue the charges against these 16, it would be necessary for him and his department to go back as far as "the Italo-Ethiopian and the Sino-Japanese conflicts," and institute proceedings against those who had aided in obtaining recruits for the participants therein.

Here below is printed a letter appearing in *The Tablet*, February 24, 1940, and signed by Anne Martin. This letter comments clearly upon this action of the Attorney General. It reads as follows:

#### "PUZZLING ACTION OF ATTORNEY GENERAL"

"Dear Sir: Enclosed are two clippings from the *Herald Tribune* of February 16, 1940. One relates to Attorney General Jackson's dismissal of the charges against the indicted Abraham Lincoln Brigade and the other to the conviction of Robert Weiner.

"Mr. Jackson's dismissal action is based upon:



"(a) 'The alleged illegal acts occurred in 1937 and 1938.'

"Reading from the clipping about Mr. Weiner, we find 'he was found guilty on a charge of having obtained a passport in 1936 by fraudulent means.'

"(b) 'The FBI investigation report was not submitted until March, 1939' and 'No action was taken by the then Attorney General until December, 1939.'

"Does this imply that if the Government is guilty of negligence or wrong-doing it must continue this negligence or wrong-doing?

"(c) 'The Justice Department was faced with the dilemma of either discontinuing these cases or entering a vastly broader campaign of prosecution which would include enlistment activities during the Italo-Ethiopian and the Sino-Japanese conflicts.'

"Under this reasoning, Hauptmann should not have been tried until the kidnaper of Dorothy Arnold had been arrested. Nor should the indictments against the American Federation of Labor officials been obtained until the unlawful acts of officials of the Congress of Industrial Organization had been presented to the courts.

"Does the Attorney General contend that there *are* cases involving enlistment activities during the Italo-Ethiopian and the Sino-Japanese conflicts? Perhaps there are some cases involving such activities during the Russian Revolution or during the Boer-British or during the Franco-Prussian conflicts.

"(d) Says Mr. Jackson 'I see no good to come from reviving in America at this late date the animosities of the Spanish Conflict.'

"However, only a few days ago Mrs. Roosevelt said to the Youth Congress 'I sympathize in your feeling for Spain.' No one will deny that 'that' feeling was definitely in favor of the Red Loyalist cause as was also the feeling of 'these Detroit Defendants.'

"The Attorney General by his dismissal action reveals the strength of the unseen power which is steadily destroying our rights, our liberties, our Country, our Religion.

"Anne Martin

"Manhattan, Feb. 19."

But returning to the Jewish People's Committee and to its chairman, William Weiner, (more properly called Welwel Warszower) let it be known that on February 21, 1940, he was sentenced to serve two years in a Federal penitentiary for passport fraud. He was the man who headed the organization which was chiefly responsible, together with the General Jewish Council, for assailing Father Coughlin. It was his organization which registered complaints against Father Coughlin with the Federal Department of

Justice for having misused the mails and for other crimes. Following these complaints, Father Coughlin was smeared from Minneapolis to Miami and from the Plymouth Rock to the Golden Gate so successfully that many persons, accustomed to believe the stories in newspapers, condemned the Radio Priest without due process of trial.

It is most significant to observe that when William Weiner was sentenced to serve two years in jail for his crime, the same newspapers which gave publicity to the alleged crimes of Father Coughlin printed only an insignificant story relative to William Weiner. An example of the publicity attending his being sentenced is here submitted as it appeared in *The Detroit News*, Wednesday, February 21, 1940, buried on page 20:

20 THE DETROIT NEWS, FEBRUARY 21, 1940.

### U. S. Communist Chief, Russian, Goes to Prison

NEW YORK, Feb. 21.—(U.P.)—Welwel Warszower, Russian-born secretary of the American Communist Party, today began to serve two years in prison for passport fraud.

For 20 years Warszower, alias Robert William Wiener, posed as a

native-born American. He was convicted last week of giving false information in a passport application.

Federal Judge John C. Knox said he would recommend deportation after Warszower has served his term.

Japan is expected to further restrict the use of electric power.

These matters are set down in this chapter to enable the reader to judge the fairness of the press in publicizing the *alleged* crimes of Father Coughlin and the *certain* crime of William Weiner who headed the attack against Father Coughlin through an organization of self-admitted leftist Jews remarkable for their power in influencing the press.

In conclusion, permit us to quote an editorial comment which appeared in the Jesuit weekly, *America*, under the date of February 10, 1940:

"Eighteen men were arrested on January 14 in New York by agents of the Federal Bureau of Investigation. One was released almost immediately. The remaining seventeen, properly handcuffed, were brought to the Federal Building in Brooklyn. Federal Judge Grover M. Moscowitz addressed them: 'You are charged here, from the first day of July, 1939, to the thirteenth day of January, 1940, with conspiracy with other people to overthrow the Government of the United States by seizing a quantity of firearms and munitions. Are you guilty or not guilty?' Each defendant replied: 'Not guilty.' Judge Moscowitz held each in \$50,000 bail. In due time, the seventeen will be put on trial. Thus far, the story is clear.



"Beneath the simple surface facts of men being charged with sedition are concealed other layers of facts. Some of the men arrested on January 14 were members of the Christian Front. In its origin, the Christian Front was one of several religious groups dedicated to Catholic Action. It had, for one of its objectives, the aim of combating Communism and other subversive ideologies. Some of the members, who were anti-Semitic, became vociferous and troublesome, both to the Jews and to their associates. Through the activities and excesses of such members, the Christian Front came to be regarded as an affront to the Jews. As a result, Jewish Action swung into operation. A committee of Jewish leaders, therefore, determined that the Christian Front should be obliterated. Thus far, the story remains clear.

"Anti-Semitism is not, in itself, a crime punishable by law. The anti-Semitic person, however, must observe the law. On this basis, Jewish Action secured the cooperation of the municipal authorities of New York, of the Attorney General's office in Washington, of the Federal Bureau of Investigation. Through a period of six months, evidence was sought as to the activities of those members of the Christian Front who were judged to be anti-Semitic. Those suspected were found to be of varied types and affiliations. It was discovered that these suspects were vulnerable on the charge that they were conspiring against public order and the Government. For this alone they were arrested. One of them, at least, had Bund connections and, as reported, an otherwise bad record. One of them, it is asserted, was a 'plant'; in the language of his associates, 'a rat.' Some of the others among the seventeen freely admitted that they were members of the Christian Front but very vehemently proclaimed their loyalty to the United States; they opposed Communism, they said, because it was a destructive force in their country. They are now in jail, and in due time will be judged as to whether or not they are guilty of sedition. The story is not so clear.

"Public opinion has been aroused against these men not because they were seditious but because they and others with whom they associated were believed to be anti-Semitic. The newspapers have played up the anti-Semitic slant more than they have the horrors of sedition. Likewise, the resentment of the public has been skilfully maneuvered against the Christian Front. In addition, the excesses of some members of the Christian Front are utilized for the purpose of attacking the Catholic Church and for hostility toward Catholics. Following the arrests in New York, the witch-hunters began scouring the country, seeking to involve or to punish or to ruin any citizen who was in the least way connected with the Christian Front. *There is no question of conspiracy or sedition; there is frankly, the question of anti-Semitism.*

"In Philadelphia, for example, members of the Christian Front were brought to trial; there was no evidence against them; they were released as innocent; nevertheless, they were condemned by public opinion as if they were criminals. The investigations have been pressed in many more large cities, on the twin charge of sedition and anti-Semitism, always with reference to the Christian Front. And now the finger is pointed toward Detroit: Evidence has been carefully collected to press charges against Father Coughlin. *If the proceedings advance, he will not be brought to court because of any alleged anti-Semitic utterances or activities, but for other reasons. And yet, every person in the United States will know that proceedings have been instituted against him solely because he is charged with being anti-Semitic.*

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(Editor's Note: All of the members of The Christian Front were eventually acquitted. They had the support of the Catholic "*Brooklyn Tablet*" and Father Edward Brophy who founded The Christian Front. This was considered as a major defeat for New York's Jewish leaders.)

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For several years, many Catholics and Protestants have been vigorous in condemning and opposing both Communism and Nazism. But for all practical purposes, they have not enjoyed Jewish cooperation in their condemnation of and opposition to Communism. This was most noticeable during the days of the Spanish civil war when Jews in great numbers upheld the cause of the Communists.

The reader can draw his own conclusions and offer his own suggestions.

The prudent Jews can, likewise, exert their own influence to remedy this situation.

It is true that some Jews have denounced Communism in a general way. But is it true that any responsible Jewish organization, outside the Jewish War Veterans, has denounced any Jewish individual known for his communistic activities? When the General Jewish Council and the Jewish People's Committee oppose such individuals with the same vigor with which they have assailed Father Coughlin, then, maybe, the vast majority of Americans will begin to believe that they are truly opposed to Communism and to those who practice and spread it.

To our mind, the whole question of propagandized Communism in America demands a speedy remedy, lest the question of Communism becomes synonymous with the question of Semitism



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## APPENDIX I

### FORTUNE MAGAZINE AND COMMUNISTS IN AMERICA

Statistics do not give the true story of the strength of Communism in America. On page 45 of the General Jewish Council booklet we read that *Fortune* magazine conducted a survey in February, 1936; but the results of the survey were contradicted by Mr. Mark Weinbaum, editor of the *Slovo*. In an article of *The American Magazine*, (December, 1937, p. 146) the author thus comments on the *Fortune*-Weinbaum controversy:

"To return to Weinbaum, he guesses that the entire Communist party in America totals about 50,000, of whom not more than 8,000 are Red-militant-radical in the sense that they foment revolution, want to make America and the whole world Communist. He believes that about two thirds of these small totals are Jewish and about one-third Gentile."

However, the Communist-led Jewish People's Committee numbers 400,000 members. The error, if there is one, in the *Fortune* magazine survey, may be traced to their investigators who counted as Communists only those persons carrying dues-paying membership cards. A card does not make a Communist. What a man thinks and does, and whom he follows are better standards to use in designating a Communist.

## APPENDIX II

### THE KINGSHIP OF CHRIST AND THE STRUGGLE AGAINST COMMUNISM

By Rev. Denis Fahey, C.S.Sp.

On the one hand, the Sovereign Pontiffs down the ages have striven to protect the Jews from physical violence and to secure respect for them as persons. On the other hand, they have aimed unceasingly at protecting Christians from the contamination of Jewish Naturalism and they have tried to prevent Jews from obtaining control over Christians. The Letter *A Quo Primum* (1751) of Pope Benedict XIV, addressed to the Polish Hierarchy, is a typical example of the efforts of the Holy See in the latter direction.

It has been asserted that it is the native ability of the Jews, their ambitious and untiring activity, that has placed them in the key positions at one time in the Soviet Union. Those days of prominence of apostate Jews in the U.S.S.R. is a thing of the past. Was it owing to the intellectual superiority of the Jews over the natives that in 1935, eighteen years after "the liberation of the Russian people," the Censorship Department in Moscow was entirely staffed by Jews? There was in that year not a single non-Jew to be found in it. Surely a few Russians could learn to speak and write Russian and other languages as well, if not better, than Jews.

Where can the proof of my statement be found? It is to be found in the book *Insanity Fair*, by Mr. Douglas Reid, an English Journalist, who certainly cannot be accused of having preconceived opinions about Germany or Russia.

He puts down plainly and simply what he saw and experienced in both countries . . . Here is some of what I have quoted from him in the pamphlet, *The Rulers of Russia*: "My paper had never sent a correspondent to Moscow because of the Soviet Censorship . . . Before I had been there five minutes the Soviet Government started quarrelling with me about the most trivial thing. For I wrote that Anthony Eden had passed through streets lined with 'drab and silent crowds' . . . and a little Jewish censor came along, and said these words must come out. I asked him if he wanted me to write that the streets were filled with top-hatted bourgeoisie; but he was adamant. Such is the intellectual level of censors. *The censorship department, and that means the whole machine for controlling the home and muzzling the foreign press, was entirely staffed by Jews*, and this was a thing that puzzled me more than anything else in Moscow. *There seemed not to be a single non-Jewish official in the whole outfit, and they were just the same Jews as you met in New York, Berlin, Vienna and Prague—well-manicured, well-fed, dressed with a touch of the dandy. I was told that the proportion of Jews in the Government was small*, but in this one department that I got to know intimately they seemed to have a monopoly, and I asked myself, where were the Russians? The answer seemed to be that they were in the drab, silent crowds which I had seen but which must not be heard of."



How many in Europe or the United States knew of that state of affairs of 1935? Has it changed since? If the whole Department for "controlling the home and muzzling the foreign press" is manned by Jews, we cannot rely on the statements coming from U.S.S.R. about the people in key-positions.

To carry on the struggle against Naturalism in our day, there is grave need of publishing all these facts. The convert Jewish priest, Father Lénian, in his book, *L'Entrée des Israélites dans la Société Française (The Entrance of the Jews into French Society)*, points out the terrible danger to which Spain was exposed at the end of the 15th century and the beginning of the 16th, owing to the number of Jews disguised as Christians who had got into important positions and were manoeuvring Spanish society to its ruin. He speaks of them as adepts at dissimulation. When the Communist Movement is seen in its true light, it will be found that the modern attack on Spain from Russia was also a triumph of Jewish dissimulation.

In this connection I wish to point out that the B'nai B'rith Lodges are the highest naturalistic secret organizations in our once Christian countries. In the year 1874, an agreement was signed between Armand Levy and Albert Pike by which the Jewish Lodges were recognized and welcomed into the organization of Freemasonry practically on their own terms. The only non-Jews who can enter the B'nai B'rith Lodges are visitors of the highest degree—Inspectors General of the Palladium. Jews on the other hand have free access to the ordinary Masonic Lodges. If Msgr. Ryan wishes to read the text of the agreement, he will find it in Domenico Margiotta's life of Adriano Lemmi. Now according to the *Revue Internationale des Sociétés Secrètes* of 15th Dec., 1938, a hundred million francs have been collected in France to finance Jewish activities in the French political arena and in the French press.

### APPENDIX III

#### LA DOCUMENTATION CATHOLIQUE

N° 57. — 5 Mars 1938.

N° 57. — 5 Mars 1938.

La

# Documentation Catholique



Adventus Regnum Tuum.

LES QUESTIONS ACTUELLES, CHRONIQUE DE LA PRESSE,  
L'ACTION CATHOLIQUE  
LA REVUE D'ORGANISATION ET DE DÉFENSE RELIGIEUSE

PARAIT LE SAMEDI. — Prix du présent numéro : 2,50

ABONNEMENTS : France : Un An, 20 fr. ; Six Mois, 11 fr.  
Étranger : Un An, 22 fr. ; Six Mois, 12 fr.

RÉDACTION ET ADMINISTRATION, 5, RUE BAYARD, PARIS-VIII.

### APPENDIX IV

#### JACOB SCHIFF, WARBURG AND BOLSHEVISM

(Taken from *Through Thirty Years*  
by Henry Wickham Steed;\*

Doubleday, Page & Company, 1924;  
Vol. 2. Chp. XVIII; page 301)

#### The Bullitt Mission (The Peace Conference of 1919)

"The American delegation promptly asked me for a memorandum on these Syrian conversations and sent it to the President, an extra copy being made for the American colonial expert, Mr. Beer. But, before matters could proceed far, a flutter was caused by the return from Moscow of Messrs. William C. Bullitt and Lincoln Steffens who had been sent to Russia towards the middle of February by Colonel House and Mr. Lansing, 'for the purpose of studying conditions, political and economic, therein for the benefit of the American Commissioners plenipotentiary to negotiate peace.' Mr. Philip Kerr" (now Lord Lothian, British Ambassador) "and, presumably, Mr. Lloyd George knew and approved of this mission. Mr. Bullitt was instructed to return if possible by the time President Wilson should have come back to Paris from the United States. Potent international financial interests were at work in favour of the immediate recognition of the Bolsheviks. Those influences had been largely responsible for the Anglo-American proposal in January to call Bolshevik representatives to Paris at the beginning of the Peace Conference—a proposal which had failed after having been transformed into a suggestion for a Conference with the Bolsheviks at Prinkipo. The well-known American Jewish banker, Mr. Jacob Schiff, was known to be anxious to secure recognition for the Bolsheviks, among whom Jewish influence was predominant; and Tchitcherin, the Bolshevik Commissary for Foreign Affairs, had revealed the meaning of the January proposal by offering extensive commercial and economic concessions in return for recognition. At a moment when the Bolsheviks were doing their utmost to spread revolution throughout Europe, and when the Allies were supposed to be making peace in the name of high moral principles, a policy of recognizing them, as the price of commercial concessions, would have sufficed to wreck the whole Peace Conference and Europe with it. At the end of March, Hungary was already Bolshevik; Austria, Czechoslovakia, Poland, and even Germany were in danger, and

\*Henry Wickham Steed:

Acting correspondent of *The (London) Times* at Berlin, 1896.

Correspondent at Rome, 1897-1902.

Correspondent at Vienna, 1902-1913.

Foreign Editor of *The (London) Times* from 1914-1919.

Editor of *The (London) Times* from February 1919 to Nov. 1922.

Lectured on Central European History at King's College, London, from 1925 to 1938.

Editor of "Review of Reviews" from 1923 to 1930.

In 1918 he engaged in propaganda in enemy countries.

He was head of a special mission to Italy, March to April 1918.

Who's Who (1940) (Biographical Dictionary).



European feeling against the blood-stained fanatics of Russia ran extremely high. Therefore, when it transpired that an American official, connected with the Peace Conference, had returned, after a week's visit to Moscow, with an optimistic report upon the state of Russia and with an authorized Russian proposal for the virtual recognition of the Bolshevik régime by April 10th, dismay was felt everywhere except by those who had been privy to the sending of Mr. Bullitt. Yet another complication, it was apprehended, would be added to the general muddle into which the Conference had got itself, and the chances of its succeeding at all would be seriously diminished.

"On the afternoon of March 26th an American friend inadvertently gave me a notion that a revival of the Prinkipo proposal, in some form, was in the air. That evening I wrote to Northcliffe:

"The Americans are again talking of recognizing the Russian Bolsheviks. If they want to destroy the whole moral basis of the Peace and of the League of Nations they have only to do so."

"And; in the *Paris Daily Mail* of March 27th, I wrote strongly against any proposal to recognize 'the desperadoes whose avowed aim is to turn upside down the whole basis of Western Civilization.'

"That day Colonel House asked me to call upon him. I found him worried both by my criticism of any recognition of the Bolsheviks and by the certainty, which he had not previously realized, that if the President were to recognize the Bolsheviks in return for commercial concessions his whole 'idealism' would be hopelessly compromised as commercialism in disguise. I pointed out to him that not only would Wilson be utterly discredited but that the League of Nations would go by the board, because all the small peoples and many of the big peoples of Europe would be unable to resist the Bolshevism which Wilson would have accredited. I insisted that, unknown to him, the prime movers were Jacob Schiff, Warburg, and other international financiers, who wished above all to bolster up the Jewish Bolsheviks in order to secure a field for German and Jewish exploitation of Russia."

## APPENDIX V

### THE BRITISH WHITE PAPER

(Following extract taken from *The Mystical Body of Christ in the Modern World* by Rev. Denis Fahey, Appendix I, pp. 291-293.)

In April 1919, there was published by the command of His Majesty, and by His Majesty's Stationery Office, a White Paper entitled, *Russia, No. 1* (1919). *A Collection of Reports on Bolshevism in Russia*. The Foreword, on p. 6, is as follows—"The following collection of Reports from His Majesty's official representatives in Russia, from other British subjects who have recently returned from that country, and from independent witnesses of various nationalities, covers the period of the Bolshevik régime from the Summer of 1918 to the present date. They are issued in

(Editor's Note: This is the cover of the original British Intelligence Report on the Bolshevik Revolution issued on April 5, 1919. This includes the important wording, "It is organized and worked by Jews who have no nationality and whose one object is to destroy for their own ends the existing order of things.")

RUSSIA. No. 1 (1919).

## A COLLECTION OF REPORTS BOLSHEVISM IN RUSSIA.

Presented to Parliament by Command of His Majesty April 1919

LONDON  
PUBLISHED BY HIS MAJESTY'S STATIONERY OFFICE.

To be purchased through any Bookseller or directly from  
H.M. STATIONERY OFFICE at the following addresses:  
IMPERIAL HOUSE, KINGSWAY, LONDON, W.C. 2, and 28, ABINGDON STREET, LONDON, S.W. 1  
37, PETER STREET, MANCHESTER; 1, ST. ANDREW'S CRESCENT, CARDIFF;  
23, FORTH STREET, DUNDEE.  
or from E. HUNSONBY, LTD., 116, CRAFTON STREET, DUBLIN.  
1919.

[Cmd. 8.] Price 9d. net.

(Editor's Note: Below is the "Abridged Edition" of the British Intelligence Report which deletes the original wording as quoted above. We can see the date of this revision stamped at the lower left - April 28, 1919.)

## A COLLECTION OF REPORTS BOLSHEVISM IN RUSSIA

Abridged Edition of Parliamentary Paper, Russia No. 1  
(1919).

LONDON.  
PUBLISHED BY HIS MAJESTY'S STATIONERY OFFICE.

To be purchased through any Bookseller or directly from  
H.M. STATIONERY OFFICE at the following addresses:  
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23, FORTH STREET, DUNDEE.  
or from E. HUNSONBY, LTD., 116, CRAFTON STREET, DUBLIN.

APR 28 1919



accordance with a decision of the War Cabinet in January last. They are unaccompanied by anything in the nature either of comment or introduction, since they speak for themselves in the picture which they present of the principles and methods of Bolshevik rule, the appalling incidents by which it has been accompanied, the economic consequences which have flowed from it, and the almost incalculable misery which it has produced."

The position, then, is this: This document as it then stood was published by the specific decision of the British War Cabinet. It was such an appalling document, that it needed neither comment, explanation nor extension. The information in it came from His Majesty's official representatives in Russia and from independent persons who had returned from that country with first-hand knowledge of conditions. The testimony from all these sources of information is the same. Apart from the appalling and fiendish cruelties, the one vital fact which this White Paper reveals is given on page 6, in a report issued by the Netherlands Minister at Petrograd, September 6th, 1918. The Minister was then acting officially for the protection of British subjects and interests, our own official representative, Captain Cromie, having been murdered by the Bolsheviks. The part of the report, in which the one vital and central fact is found, reads as follows:—

"The foregoing report will indicate the extremely critical nature of the present situation. The danger is now so great that I feel it my duty to call the attention of the British and all other Governments to the fact that, if an end is not put to Bolshevism in Russia at once, the civilization of the whole world will be threatened. This is not an exaggeration, but a sober matter of fact; and the most unusual action of German and Austrian consuls-general, before referred to, in joining in protest of neutral legations, appears to indicate that the danger is also being realized in German and Austrian quarters. I consider that the immediate suppression of Bolshevism is the greatest issue now before the world, not even excluding the war which is still raging, and unless, as above stated, *Bolshevism is nipped in the bud immediately, it is bound to spread in one form or another over Europe and the whole world, AS IT IS ORGANIZED AND WORKED BY JEWS WHO HAVE NO NATIONALITY, AND WHOSE ONE OBJECT IS TO DESTROY FOR THEIR OWN ENDS THE EXISTING ORDER OF THINGS . . . I would beg that this report may be telegraphed as soon as possible in cypher in full to the British Office in view of its importance.*"

This very vital and significant report was sent by the Netherlands Minister in Russia, to Sir M. Finlay, British representative at Christiania, and by him telegraphed to Mr. Balfour at the British Foreign Office.

There are many questions that could very pertinently be asked concerning this report. But there are two at the moment that press for an answer beyond all others: (1) Why was this very alarming and crucial information not published in the Press? Why the almost universal silence concerning it? Whose influence suppressed it? (2) Why did this official White Paper, published by His Majesty's command at the express decision of the War Cabinet in April, 1919, disappear from circulation and become unobtainable? And why was there published in its place an abridged edition, in which this particular passage and very little else of equal importance

from the Netherlands Minister's report was eliminated? . . .

It is obviously and logically clear that there is only one race on earth that has any interest in the suppression of this official document, and that race is the Jewish race. No other race nor any civilized Government can be benefited by its suppression, for the report within it says quite specifically: "The danger is now so great that I feel it my duty to call the attention of the British and *all other* Governments to the fact that, if an end is not put to Bolshevism in Russia at once, the *civilization of the whole world* will be threatened."

## APPENDIX VI

### JEWS' PART IN BOLSHEVISM

Dr. George A. Simons, testifying before the Overman Committee investigating German and Bolshevik propaganda, said:

"I do not think the Bolshevik movement in Russia would have been a success if it had not been for the support it got from certain elements in New York, the so-called East Side." (*Overman Committee Report*, p. 113.)

Dr. Simons, who was superintendent of the Methodist Episcopal Church in Petrograd from the fall of 1907 until October 6, 1918, also testified:

"The latest startling information, given me by someone who says that there is good authority for it—and I am to be given the exact figures later on and have them checked up properly by the proper authorities—is this, that in December, 1918, in the northern community of Petrograd, so-called, that is what they call that section of the Soviet régime under the presidency of the man known as Mr. Apfelbaum—out of 388 members, only 16 happened to be real Russians, and all the rest Jews, with the exception possibly of one man, who is a Negro from America, who calls himself Prof. Gordon, and 265 of the members of this northern commune government, that is sitting in the old Smolny Institute, came from the lower East Side of New York—265 of them . . . I think that fits into what you are driving at. In fact, I am very much impressed with this, that moving around here I find that certain Bolshevik propagandists are nearly all Jews—apostate Jews." (Op. cit. pp. 114-115.)

The Rev. Mr. Simons testified upon questioning by Senator Wolcott:

"I met a number of them" (New York East Siders) "on the Nevsky Prospect in Petrograd, yes; and spoke with them, and a number of them have visited me." (Op. cit. p. 115.)

The Rev. Mr. Simons continued his testimony:

"I was impressed with this, Senator, that shortly after the great revolution of the winter of 1917 there were scores of Jews standing on the benches and soap boxes, and what not, talking until their mouths frothed and I often remarked to my sister, 'Well, what are



we coming to, anyway? 'This all looks so Yiddish.' Up to that time we had very few Jews, because there was, as you may know, a restriction against having Jews in Petrograd; but after the revolution they swarmed in there, and most of the agitators happened to be Jews. I do not want to be unfair to them, but I usually know a Jew when I see one." (Op. cit. p. 116.)

Rev. Mr. Simons read into the *Overman Report* a list of names of the apostate Jews who were active in the Bolshevik movement. He testified:

"I have seen at least four different lists, and the first that came out, I have in my possession here. This came out about August, 1917, and was widely circulated in Petrograd and Moscow." (Op. cit. p. 142.)

(List quoted in Chapter VII of this book.)

Mr. William Chapin Huntington, commercial attache of the United States Embassy at Petrograd from June, 1916, to September, 1918, made the following statement before the Overman Committee, thus corroborating the Rev. Mr. Simon's testimony:

"The leaders of the movement, I should say, are about two-thirds Russian Jews and perhaps one-sixth or more of some of the other nationalities, like the Letts or the Armenians . . . The superiority of the Jews is due to their intellectual superiority, because the average Jew is so much better educated than the average Russian; and also, I think, to the fact that the Hebrew people have suffered so in the past in Russia that it has inevitably resulted in their cherishing a grudge which has been worked out by the movement.

(*Overman Committee Report*, p. 69.)

Be it observed that the Overman Investigation Committee was a Senate sub-committee of the Committee on the Judiciary, United States Senate, 65th Congress, pursuant to *S. Res. 439 and 469*.

The *London Times* says:

"One of the most curious features of the Bolshevik movement is the high percentage of non-Russian elements among its leaders. Not less than 75 per cent are Jews." (*London Times*, March 29, 1919.) According to the same article:

"Of the 20 or 30 commissaries or leaders who proved to be the central machinery of the Bolshevik régime, not less than 75 per cent are Jews . . . among the minor officials the number is legion."

## APPENDIX VIII

### ANTI-SEMITISM IN RUSSIA

"In his book entitled *Lenin and the Jewish Question in Russia* (Moscow, 1924) S. Diamanastein reports that Lenin said: 'Anti-Semitism is a powerful weapon in the hands of our enemies. It must be fought with appropriate measures' . . ."

Hence, Lenin issued a decree on anti-Semitism as counter revolution, the conclusion of which Diamanastein transcribed as follows:

"The Council of People's Commissars demands that all soviets take appropriate measures with a view of fully suppressing the anti-Semitic movement. The pogromists and all those who carry on any anti-Semitic propaganda shall be placed *beyond the law*.'" (As quoted from *Qui Veut La Guerre*, a series of articles appearing in *Revue Hebdomadaire*, November 16, 23, 1935.)

"Diamanastein recalls also that in many instances: 'Lenin underlined the importance of Jews to the Revolution, *not only in Russia, but also in other countries*.'" (*Qui Veut La Guerre*, as quoted above.)

Mikhail Kalinin said in an address which he delivered to the first Ozet Congress in November, 1926, eight years after the publication of Lenin's decrees on anti-Semitism:

"Why are the Russian intellectuals *more anti-Semitic today than in the days of Tzarism*? It is but natural. During the first days of the Revolution, the mass of the Jewish intellectuals from the cities threw themselves into the tide of the Revolution. Because they had been an oppressed nation which had never taken part in the government, they naturally had a tendency to participate in revolutionary work, and consequently also in the administration. *A large number of Jews occupied posts of Commissars, etc. . .*." (Report of Ozet Congress as quoted by the author of *Qui Veut La Guerre*, ut supra.)

Five years after Kalinin delivered this explanation to the Ozet Congress, Josef Stalin, who presumably issued decrees persecuting religious Jews and suppressing Judaism, stated that anti-Semitism had not been destroyed; for the dictator himself said to a correspondent in February, 1931:

"Because they are conscious internationalists, the Communists are persistent opponents of anti-Semitism which is severely prosecuted in the Soviet Union as a counter-revolutionary phenomenon. Our laws punish militant anti-Semitism WITH THE PENALTY OF DEATH.'" (As quoted in *Qui Veut La Guerre*.)

In view of these seemingly contradictory quotations we can explain the matter by saying that the Soviet Government distinguished between the Jew as a religious and the Jew as a national living in Russia. Orthodox Judaism was categorically opposed to atheistic Communism; hence the atheistic and Communist Jews enacted decrees of persecution against their religious brethren. However, to protect themselves against the Russians who resented their supremacy, the Jewish commissars were forced to enact laws condemning anti-Semitism as counter revolution.

Even the Jews themselves are not agreed about the matter of persecution in Russia; for *B'nai B'rith* magazine, March, 1933, featured two articles on the subject *Is Judaism Doomed in Soviet Russia?* Both authors praised the Soviet régime, but one upheld the negative of the question and the other the affirmative. Their praise of the Soviet régime and Bolshevik administration does not surprise us since it appears in the *B'nai B'rith*



We quote from Norman Bentwich's article upholding the negative:

"It is certain that the principal prophet of the proletarian movement was the German Jew, Karl Marx, whose picture hangs in every public institution and whose book *Kapital* is the gospel of the Communist creed; that another German Jew, Ferdinand LaSalle, whose heroic statue adorns the Nevski Prospect of Leningrad was one of the inspirers of the early revolutionary parties; that *Jews have, from the beginning to the present day, played a part in the creation and the maintenance of the Revolution*; and that for no community has the Revolution brought about a greater change of status than for the Jews. . . .

"It is the function of the Jew to be the interpreter of Soviet Russia to the world and of the world to Soviet Russia; for he forms the principal element in the proletarian society which has close touch with the Western European culture and languages . . . Yet Jewish pride of race is still strong and ardent Communists talk proudly of the equality which has been won for Jews and of the achievement of the Jews in the economic and political movement. They are conscious Jews in spite of their Communism; and if they are opposed in theory to the Jewish national home in Palestine, they are eager to learn what is happening there . . . The spiritual motive of the Revolution goes back to the principles of Socialism in the teaching of the Hebrew prophets, even though the Communist denies the rock from which he is hewn and knows not the hole from which he is dug."

We now quote the author who upheld the affirmative, Pierre Van Paassen: . . . 'You stiii feel yourself a Jew then?' I asked.

"'Still a Jew? *I am more of a Jew than ever! Now, under the new regime it is at last possible to be a real Jew.* My father could not under the old regime, and he can't yet, because his spirit is imprisoned by all the old traditions. But I am free and my sister is free and we go the new way! . . . Ninety per cent of the Jews of Russia are heart and soul in the upbuilding of the new world.'"

An article *Judaism Is Dead in Russia*, *B'nai B'rith* magazine, May, 1934, p. 270, praised the status of Jews in Russia. The author wonders how the Jews can get along without God and he observes:

"Judaism has always been concerned with more than God. Jews have been held together not only by what is called religion, but also by the bond of peoplehood

has come a freedom which Jews have never experienced anywhere else in the world . . . Stalin's second in command is Lazarus Kagano-wich, a humble Jewish leather worker who, through sheer ability, has placed himself in line to succeed Stalin as the Communist leader of Russia . . . *Russia is the only country in the world where anti-Semitism is a crime* . . . If I were to sum up what has happened to the Jews of Russia under the Communist régime, I should say *new opportunities and an intensified social idealism.*



*"Father Coughlin was a man ahead of his time...the giant of his  
generation among the committed  
priests of America."*

**Richard Cardinal Cushing of  
the Massachusetts Archdiocese, June 8, 1966**

**Published by -**

**THE TRUTH AT LAST  
P.O. BOX 1211  
Marietta, Ga. 30061**

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**of the Shrine of the Little Flower and  
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Printed in the United States of America by  
THE CONDON PRINTING CO., DETROIT



## PREFACE

Our contest in America is to preserve Americanism and Christianity.

These nine discourses were delivered by Father Coughlin over a private network of radio stations which he rents at full commercial rates.

The expenses for Father Coughlin's undertakings are defrayed by the contributions of the radio audience.

Social Justice Magazine, of which Father Coughlin is editorial director, supplements his radio discourses by publishing every week 20 pages of editorial matter giving therein information to a vast reading public—information not available in the daily press.

You are earnestly solicited to enroll as a subscriber as a token of appreciation for the receipt of this book.

Address your letter to Father Coughlin at Royal Oak, Michigan.

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# The Background of Christian Social Justice

Sunday, November 6, 1938

GOOD AFTERNOON, MY FRIENDS:

My return to the air is made possible only through your gracious loyalty and support.

This is your broadcast, not mine. Every Sunday I will venture to speak to you as long as you bid me welcome in your homes.

Properly, while I endeavor to expound the principles of Christian social justice, I shall also endeavor to show you how these principles can be applied.

And just as properly, it will be my hope to bestir you to action—Christian action, American action—for faith without good works is dead.

Thus, at the outset, while I am deeply grateful to everyone of you for the heroic sacrifices you have made, and will make, to keep me on the air over this independent chain of radio stations, may I ask you for one more favor today—the favor of a prayer to the Holy Ghost. I beseech all of you to ask the spirit of understanding to fill me with prudence; and the spirit of fortitude to give me strength and courage to carry on the battle against the hidden powers of darkness—perhaps not quite so hidden today as yesterday.

May I also suggest that you will ask your little children who are ignorant of the causes of poverty, wretchedness and exploitation—may I suggest that you ask these innocent children to whisper a prayer for one who fully recognizes how unworthy he is but who fully realizes what a golden opportunity God has given to him to be an instrument for good.

You are anxious to know what topics I shall discuss during the ensuing year. Roundly speaking, it is my hope that these addresses will be concerned chiefly with Christian social justice.

While my ultimate objective is to help more and more men to save their immortal souls, I recognize how difficult it is for man to practice Christian virtue, to live a holy life in peace and contentment, when he and a great group of his fellowmen are denied unjustly an equitable share in the goods and wealth of this world—goods and wealth which our common Father in heaven bestowed upon all men for all men to use and enjoy—goods and wealth, which, alas, have been concentrated in the hands of a few to the detriment of the many because an un-Christian species of social injustice was foisted upon us in the past few centuries and because, as a result of this, an alien philosophy of social injustice, under the name either of Communism or Naziism, is endeavoring to win our allegiance today.

Fearlessly, Christian social justice challenges these several systems for the attention and the support, in this instance, of the American public—a public composed of persons who, despite their many faults and shortcomings, will never surrender the heritage of Bethlehem, of Pilate's hall, of Calvary Hill or of the Easter morning sepulchre from whose empty depths there echo and re-echo the immortal words, "I am the Resurrection and the Life."

Fortified with these precious heritages it is our hope to carry on a campaign of instruction and inspiration even though we find ourselves opposed by the rugged individualists on the right and by the unchristly radicals on the left. It is our hope to convert a zealous band of followers into a group of active Christians—Christians who, by the sincerity of their lives and the logic of their doctrines shall win millions of followers who are convinced that there is no way other than Christ's way for saving America and restoring prosperity and peace for all.

My friends, at the outset, permit me to clarify the fundamental doctrine of Christian social justice—the doctrine that differentiates it from every other plan of life proposed for man to follow. It is this: Christ came on earth not only to redeem and save individuals but also to establish an absolutely new social order. Recognizing the chaotic condition of society in His own time; aware of the universal slavery practiced virtually by every nation; and conscious of the spiritual darkness which had encompassed every kingdom, empire, republic and tribe, our Saviour well understood that man, left to his natural abilities, was unable to acquire peace and prosperity in this world and save his immortal soul in the hereafter.

Ample proofs for this were around Him.

Had not the old social order produced decay of virtue and morals? Despite its Socrates and Plato and Aristotle, had it not spread physical disease and degeneration? Had not a godless natural social order succeeded in crumbling every organization that the hand of man attempted to construct? Had it not multiplied slavery and destroyed freedom? Had it not warped the mental vision of man to such a degree that he failed to glimpse the sunrise of eternity beyond the grave? All this—the result of man's trying to operate the world and its organization independent of God.

My friends, in your own minds dramatize the battle which Christ waged against the prince of mental, physical, social and spiritual death, the ruler of a godless social order. Visualize how He went about supplanting the natural social order with a supernatural order: For three years He was content to publicize His policies and His principles. Time after time He not only insisted upon a supernatural life for man, contrary to that practiced by the pagans, but He established the definite means by which the supernatural life could be obtained; definite means by which every individual, every organization, every principality, every nation could look forward to better days and prosperity here with happiness hereafter.

As Pius XI beautifully expresses it, "man was raised by the power and the gift of God to the dignity of a son of God, and incorporated into the kingdom of God in the Mystical Body of Christ. In consequence, he has been endowed by God with many and varied prerogatives; the right to life, to bodily integrity, to the necessary means of existence; the right to tend towards his ultimate goal in the path marked out for him by God; the right of associations and the right to possess and use property."

That, my friends, was the fundamental principle of the new social order established by Christ.

Though you oftentimes forget it you are no longer mere men and women, simple creatures left alone to battle against a vicious nature with its national storms and international tempests. You are members of the Mystical Body of which Christ is the head.

That is the new union, the new organization which Christ established to enable man to acquire peace and prosperity in this world; and the happiness of heaven hereafter.

This is not mere rhetoric. This is reality.



Had not men from all times struggled in vain to possess ample security against the devastating forces let loose in this world? Had it not been the universal experience of mankind that the attainment of this objective was impossible? This was the Creator's answer to the problem.

Who will contend that Christ did not have an absolute right to proclaim Himself King and establish this new organization? The world was His already through the title of creation. It is His through the second title of redemption even in a stricter sense than India belongs to England through the title of conquest.

My friends and fellow citizens, it is true that you establish your own earthly governments. But it is likewise true that every government set up by man becomes a rebel government if it denies Christ a place on the throne. Therefore, against the laws promulgated by Christ the King, no earthly monarch, no president, no parliament, no congress dares legislate. And against the economic and social principles laid down by Christ, no group of professors or parliamentarians may establish other principles except at the cost of disaster.

Unfortunately, we have witnessed in our historical studies a constant effort on the part of those who are hostile to Christ to force his abdication. They maintained that His mission was to individuals and not to society. They asserted that His place was in the tabernacle and not in halls of government. They demanded that He remain within the gray walls of an empty church and not walk in the fields with the farmer and stand in the factory with the laborer.

Let me outline for you the chapters of history which, first, describe the growth of this new social order and, then, tell how unchristly men succeeded in dethroning the King to the detriment of civilization.

This history begins with the story of the inspired apostles. Without arms and supported by no legions, their only sword being the uplifted cross, they marched upon decadent Rome, won thousands of converts to their cause—converts from the ranks of the galley slaves, converts from the oppressed millions of the plebians and converts from the noblemen of the patrician class.

It is true that these early Christians suffered martyrdom by the millions. But it is likewise true that within three hundred years Constantine, the Roman emperor, accepted the new social order

of Jesus Christ because he was convinced of its practicality and soundness.

Slowly, at first; then with giant strides over the mountains of opposition and through the valleys of error marched a Basil and a Jerome, an Augustine and a Gregory, a Hildebrand and a Bernard, and finally, a Francis, a Dominic, a Thomas and an Ignatius until, by the 13th Century, we view an Europe solidly following the banner of the cross with its nations and its principalities and its tradesmen organized in solidified groups for the common good of all—groups that regarded themselves as the members of the Mystical Body of Christ; groups that regarded Christ as their supreme King and Legislator.

Those were the days when there was plenty in the midst of want.

Alas, ours are the days when there is want amidst plenty.

Why do I so characterize our days?

That is the story which the following chapters of history will tell.

Beginning with the 14th Century prosperous princes and merchants became beset with the vice of greed. Refusing to attribute to Christ and His policies the prosperity which they enjoyed; and refusing to curtail their activities by the limitations of Christian laws, they began to deny the brotherhood of man and corrupt the Christian organizations of tradesmen. Gradually usury and its consequent slavery and international wars made their re-appearance. And, finally, rulers began to conceive the idea that the world could get along without Christ in its commerce and business; for Christ's place was in the church and not in the marts of men, so they said.

For more than two centuries government and business and commerce were conducted on this non-Christian principle. Once more the imperialism of ancient Rome, in a new form, began to concentrate wealth and multiply poverty when kings made laws for the protection of the strong—laws that welded shackles upon the oppressed masses.

It was only a matter of time until the exploited millions rose in protest against this un-Christian bondage. That they had a right to do so no one denies. But that they had a right to follow leaders like Jean Jacques Rousseau, no one with sanity affirms. Thus, in 1789 the disciples of this erratic philosopher published a document known as the "Rights of Man." Already the idea that Christ was King, that Christ's place was in the market place, the courts, the banking houses and the government as well as in the

church and the pulpit had been lost sight of by too many people. They were people who had been conditioned by the neglect of their proper leaders; people who, because of this neglect, were suitable soil in which the new seeds of naturalism could take root when, for the first time, they heard the magic words of liberty, equality and fraternity proposed to them on the same basis with which Spartacus appealed to his slave followers—a basis of naturalism divorced from God.

And so the document entitled "The Rights of Man" was read avidly by the mobs of Paris. Its sophistry, like a wolf clothed in the sheep's clothing of fine rhetoric, was echoed and re-echoed throughout France. Not that liberty and equality and fraternity, viewed in themselves, were not and are not desirable. But behind these unctious words there was the theory that the social doctrines of Christ were responsible for the suffering undergone by the people. "Henceforward," said they, "the social doctrines of humanity must supplant the obsolete social teachings of Christ."

In fine, the "Rights of Man" was accepted by the revolutionaries. Christ was dethroned; His crown of kingship once more became a crown of thorns. And a new king was set upon the throne of Notre Dame in Paris—the king symbolizing the magic of numbers, the new king which said, "mankind is king and the majority opinion shall prevail."

How illogical was this decision? Christ in Pilate's hall was outnumbered seventy-two to one. Did the magic of numbers in that instance prove that the Master was a blasphemer; prove that Caiphas and Annas and the Sanhedrin were justified in demanding His death?

The French Revolution, although justified, I repeat, was not justified in turning back the wheel of time from the supernatural order established by Christ to the pagan natural order established by those who hated Christ—an order which had proven to be so disastrous before the birth of our King.

For two centuries the philosophy of the French Revolution ruled the world. Temperate and moderate after its initial upheaval, its leaders and followers were content to treat Christ and Christianity on a par with every cult as long as Christian leaders refrained from tampering with the so-called progress of the world and refrained from attempting to incorporate in the social life of the world the doctrines which were spoken on the hillside of Palestine nearly two thousand years before.

But, as to be expected, the Rousseau philosophy of naturalism, despite its objectives of liberty, equality and fraternity, proved

no more beneficent in our times than before the time of Christ. Napoleonic wars crimsoned Europe with the best blood of its citizens. Death and devastation wrote their records in India, in Crimea, in America, in South Africa, until our children began to believe that the study of history meant no more than the study of war and destruction.

Meanwhile, although a Fulton and an Arkwrite and an Edison, with their contemporaries, unveiled the secrets of nature for the multiplication of wealth, we find that wealth still became accumulated in the hands of a few and that the masses of Europe and America, not to mention Africa and Asia, were no better off than were the outraged citizens of Paris who stoned the Bastille in protest against the Bourbons of old.

All during this time the world labored under the delusion of the magic of numbers. All during this time England and France and America, through their representative governments, religiously kept religion out of government and fanatically denied the entrance of Christ's principles into economy, business, industry and agriculture.

Eventually, the inevitable catastrophe arrived in 1914. Eventually, the fruits of this naturalism were apparent on the fields of Flanders and on the hillsides of France where millions of young men laid down their lives for the fiction of preserving a social order from which Christ had been expelled.

It was not until 1917, when one nation, more logical minded than the others, followed to its ugly conclusion the principle of naturalism. "If God has no place in business or in government or in economy; if His principles are detrimental to the activities of society, then let us drive God and all His trappings from the hearts of the citizens—citizens who belong to the state, the new god who has supplanted the Christ of old."

My friends, I have touched but lightly upon the chief historical movements which trace the rise of Christ's new social order from the catacombs through Constantine to the glories of the 13th Century. I have traced rapidly the decline *not* of principles of the social order of Christ, but of the human race from the 14th through to the 20th Century. Those who believed they had more wisdom than the God Incarnate preferred to work out the destiny of the human race divorced from Christ and wedded to the disproven philosophy of naturalism—naturalism in government, naturalism in business, naturalism in education.

It is understandable why Karl Marx and his Communism came into being—just as understandable as why the French



revolutionists chanted their Marseillaise; for one error uncorrected always begets a worse.

And it is understandable why Naziism, with its complex for persecution and its deification of the state, is sweeping Communism from the confines of Europe because men will never rest in peace when they are forced to live under an unsound system either of government or of economy.

Yesterday Communism; today Naziism; tomorrow—chaos—unless Christ is re-enthroned.

During these broadcasts I do not intend to confine myself to such abstract and generic addresses as is this. It is my intent to be concrete and to apply, to the best of my ability, the social principles of Jesus Christ to the social life of the United States. This means that it is necessary for us to solidify and strengthen a virile, closely woven Christian Front. This means that we will be glad to be characterized as intolerant—intolerant, not of men whom we wish to convert, but of error and false principles with which we refuse to consort.

Had we Christians one-tenth of the zeal that burns in the hearts of the disciples of Karl Marx this would be a different world today. Long ago we would have carried our King in triumph into the factory where economic slavery reigns; into the market place where dishonesty prospers; into the banking house where usury thrives and into the classrooms of our schools and universities where error rides rampant over the souls of our children.

The World War with its tragedy, its loss and its destruction would not have been chronicled upon the pages of our history. And this week we would not be celebrating an Armistice that is not an armistice in the sense that it is the termination of wars.

What were the results of that last World War? The world certainly was not made safe for democracy. It was made safe for Communism. Even America has been made the haven of radicals with their un-American, unchristian philosophy.

Certainly, it was not a war to end wars. It was a war to end Christianity. Certainly, it brought us no economic security. It produced nothing but international disaster and suffering at a cost of more than \$100-billion and 40-million human casualties not including the broken hearts of mothers and children. It has been estimated that if the cost of the World War had been expended, not upon destruction, but upon production, we Americans could build a home costing \$2,500 on a five acre plot of

ground costing \$100.00 an acre—a home with a thousand dollars worth of furniture in it free from all encumbrances for every family residing not only in America, but for every family residing in Russia, Italy, France, Belgium, Germany, Holland, Wales, Ireland, England, Scotland, Australia and Canada as well as the United States.

More than that, out of the cost that was used to destroy 40-million men and upset the world religiously, socially, and economically, we could go into every community of 20,000 population or more, throughout the world to build a \$2-million library, a \$3-million hospital and a \$10-million university in every community.

And after doing that we would have had enough money left over so that if we invested it wisely, according to the pattern of capitalism, we would have enough returns to pay a salary of \$1,000 each to 125,000 school teachers and 125,000 nurses for the City of New York and a proportionate number for every other city in the United States.

And the irony of it all is that on the eve of the twentieth anniversary of the armistice the merchandisers of murder and usury are concocting plans to destroy another 40-million human beings with the aid of governments who are still subservient to the forces of naturalism.

In conclusion, my friends, let us be certain about this—at least those of us who are devoted to re-establishing the social order of Jesus Christ upon this earth: There can never be a lasting armistice, never a lasting peace, never permanent security and prosperity until the social order of Jesus Christ is re-established upon the face of the earth. Moreover, there can be no armistice between Christianity and Communism or Communism's illegitimate child, called Naziism.

Today you can choose your sides. Today you can be powerful enough to overcome Communism by moral force. Tomorrow it may be necessary to use physical force. But it is certain that there can be no compromise, no fictitious hand-shaking, no friendliness between the two philosophies of Christliness on the one hand and christlessness on the other.

They of the next generation will be reading the history either of our success or of our failure as they celebrate not an armistice anniversary but a victory either for Christ or for chaos.



"I am the Resurrection and the Life," said Christ. Oh, how truthfully is He the Conqueror of death and of every vice and disease attendant upon death!

How truthfully is He the Life Eternal in heaven and the Life of the social order here upon earth!

There can be no armistice between Christ, the Life, and Anti-christ, the death!

---

## A THOUGHT FOR THE WEEK

"And it came to pass afterwards that Jesus went into a city that is called Naim; and there went with Him His disciples, and a great multitude.

"And when He came nigh to the gate of the city, behold a dead man was carried out, the only son of his mother; and she was a widow: and a great multitude of the city was with her. Whom when the Lord had seen, being moved with mercy towards her, He said to her: 'Weep not.'

"And He came near and touched the bier. And they that carried it, stood still. And He said: 'Young man, I say to thee, arise.' And he that was dead, sat up, and began to speak. And He gave him to his mother.

"And there came a fear on them all: and they glorified God saying: 'A great prophet is risen up among us: and, God hath visited His people'."

Millions of aged mothers throughout the world still live to mourn their sons whose lives were sacrificed in a war to end wars and for an idle dream of keeping the world safe for democracy.

In vain have many of them looked to their government for something more than a band of red ribbon or a faded gold star to commemorate their loss.

In vain millions of them have reaped the reward of insecurity and poverty together with the pangs of broken hearts.

Oh, how forgetful governments are, once the last cannon has dealt its death in the ranks of those whose business it is not to argue, not to reason why, but only to obey, to do and die!

Mothers, the story of the widow of Naim is still your story.

Some day, when Gabriel's horn shall sound taps; some day, when this battle of earthly life will have been terminated, you will see through your tears the majestic form of Him Who is the resurrection and the life walking down the highway of your village, your town or your city. He will depart for a moment to visit Flanders Fields or Armentieres or Chateau-Thierry. Reverently He will stand by a decayed white cross which has fallen upon a cold clod of ground. Mildly He will say: "Young man, I say to thee, arise."

And from the grave long since desecrated by irreverence, there will step forth your boy, oh white haired mother, to accompany our Christ across the years to your outstretched arms.

As Cardinal Mercier once said: "Oh, Christian mothers, be proud of your sons. Of all griefs, of all our human sorrows, yours is perhaps the most worthy of veneration. I think I behold you in your affliction, but erect, standing at the side of the Mother of Sorrows, at the foot of the Cross. Suffer us to offer you not only our condolence, but our congratulation. Not all our heroes obtain temporal honours in this world, but for all we expect the immortal crown of the elect in the next. For this is the virtue if a single act of perfect charity: it cancels a whole lifetime of sins. It transforms a sinful man into a saint."

And you young mothers of this generation, learn from the past. Recognize that in Christ alone can you place your hope—the same Christ Who will repeat for every Christian mother the story once enacted at Naim in Palestine.

Some day He will prove to an incredulous world that love is not time's fool. Some day we are quite sure that He will give your boy back—bright, pure and beautiful. We know He will but keep our own and His until we fall asleep. We know that He does not mean to break the strands reaching between the here of this world and the there of eternity; for we believe in the immortality of the soul, the resurrection of the body following the last taps when the last light of this world will have been extinguished.

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## A PRAYER FOR THE WEEK

Oh, Christ, our King, we adore Thee!

To Thee we pledge our fortunes and our lives.

Encompassed by the powers of darkness, we call on Thee for light.

Straitened by the might of the evil one, a prostrate people begs Thee for prompt assistance.

Of old Thou didst calm the waters of Genesareth.

Lord of hosts, bid peace descend upon the troubled waters of our nation.

Of old Thou didst attend to the prayers of the lepers.

Oh, cleanse from us the social sores which fester in government, industry and agriculture—yea, even in our homes!

Cleanse our lives from the sin of greed and free us from the bondage of usury.

Of old Thou didst not refuse to harken to the prayer of the pagan Jairus, whose child was dead.

We, too, have faith in Thee. All else has failed.

Raise our country from the swamp of decay—a country that languishes in mental corruption as it devises ways and means to perpetuate want in the midst of plenty.

Oh, King Thou art! Christ and Redeemer, have mercy upon us!

In a world where once again Thou art buried in the tomb of neglect, arise, come forth and teach Thy chastened people that Thou art the resurrection and the life!

Give peace to those whose hearts are weary with life's uneven struggle.

Give counsel to those who, forgetful of Thy justice and charity, rely upon the force of armaments and destruction.

Give prosperity to those whose prayer is Thy prayer, "Give us this day our daily bread." Give them a frugal share in the wealth and comforts of this world which Thou, our King, hast created for all men to use.

Give courage to those whose hands are about to fling away Thy cross.

Oh, Christ, give unity to those of us who proclaim Thy divinity as we rally 'round Thy banner to oppose Thy foes, the followers of Antichrist!

# Our Christian Hope

*Sunday, November 13, 1938*

Many of you are expecting me to comment upon the recent elections. During the course of this address, some few words will be spoken on that subject. Nevertheless, at the outset, it is more essential for me to help you assemble in your minds some basic principles which all Christians should accept before I become specific; before I endeavor to apply them either to politics, to industry, to labor, to banking or to any other phase of our complex life.

We Christians have often heard it remarked that we belong to the church militant—the fighting church. Simple-minded souls are prone to think that our fighting is limited to the inordinate movements of passion—pride, lust, sloth. They forget that our fighting extends far beyond flesh and blood. They forget that the consolidated forces of Christianity are destined to fight against powers and principalities; against the rulers in high places.

The great St. Paul expressed this thought when he said: “Our wrestling is not against flesh and blood, but against principalities and powers, against the rulers of the world, of this darkness, against the spirits of wickedness in the high places.” (Eph. vi; 12).

These rulers, these powers of darkness, certainly are well-organized in this world of ours. Sometimes their organization boldly finds expression in government which is either directly opposed to God and to Christ; sometimes, in a more diplomatic manner, as it were, the rulers of the world of this darkness indirectly fling their forces at the supernatural scheme of life originated by Christ. They minimize its importance. They preach tolerance toward error by advocating prudence—a false prudence in our relation towards those who control our financial, or political, or social destinies.

St. Paul calls this kind of prudence the “wisdom of the flesh” and the “death of the soul” because it is not subject to the law of God, neither can it be. (Romans viii; 7).

Leo XIII characterized this as cowardice although some Christians regarded him as a radical for doing so; and although

many more paid little heed to his pleas for reorganizing a strong, courageous Christian Front.

Speaking particularly of Christian public servants such as governors, legislators, judges—public servants who, it seems, are more ambitious for personal political power and prestige than for the Kingdom of Christ, Leo XIII said: “As to those men who take part in public affairs, they should avoid with the very utmost care two criminal excesses: so-called prudence and false courage. Some there are, indeed, who maintain that it is not opportune boldly to attack evil-doing in its might and when it is in the ascendant, lest, as they say, opposition should exasperate minds already hostile. Such men make it a matter of guess work as to whether they are for the Church or against her. On the one hand, they give themselves out as professing the Christian faith, and yet wish that the Church should allow certain opinions, at variance with her teaching, to be spread abroad with impunity.”

Traceable to this criminal excess on the part of so-called Christian public officials—kings, presidents, congressmen, governors and judges—is the advance made by the rulers of the powers of darkness—at least in part. (Encyclical letter, “Sap. Christ.”)

At a later date, Pius X, recognizing the steady growth in power and prestige of those who are hostile to the Christian social order even in countries where Communism has not been yet accepted as the scheme of life—at a later date this peerless Pontiff pleaded with the Christians throughout the world to set aside their apathy, their false prudence, their wisdom of the flesh. The occasion of this plea was the beatification of Joan of Arc on December 13, 1908. She was the saint sent to remind the world of the supernatural political guidance of God and of the Christian organization of Europe which was the glory of the 13th Century. Referring to her heroism as contrasted with the timidity of so many Christians in our day, Pius X said: “In our time more than ever before, the chief strength of the wicked lies in the cowardice and weakness of good men. . . . All the strength of Satan’s reign is due to the easy-going weakness of Christians. Oh! If I might ask the Divine Redeemer, as the prophet Zachary did in spirit ‘Where are these wounds in the midst of Thy hands?’, the answer would not be doubtful: ‘With these was I wounded in the house of them that loved Me. I was wounded by my friends, who did nothing to defend Me, and



who, on every occasion, made themselves the accomplices of My adversaries'."

Time-serving Christians! Compromising Christians! Christians, who by their silence, their spirit of "hail, fellow well met"—these have been the "friends" who are responsible, in great part, for welcoming into our midst the vices propagated by the powers of darkness—because it was profitable.

Has the history of the centuries failed to teach Christians an unforgettable lesson?

Has the spirit of the indomitable Paul vanished from our midst?

Has the heroism of a Francis, whose practical life of poverty shamed the impractical Christians of his own day—has this heroism become a myth?

Has the sainted Bernardino da Feltre, who drove the money changers from Italy, and who was responsible for establishing more than five hundred banks—has his name become listed with the forgotten men because he had courage in his day to oppose and conquer the vice of usury?

Eventually, my friends, I will become specific with you. But it is more essential, at this moment, for us to recapture the lost spirit of Christian unity, the hidden virtue of Christian cooperation and action.

Alas!—too many of us have become befogged with the vice of spiritual decay—a spirit which hypocritically tells us that our religion is one which concerns only the individual, only his personal relations with his God. Too many have forgotten that our religion is a social philosophy with a definite bearing on government, on industry, on education and on the entire social framework of the world in general and the nation in particular where we live.

Leo XIII warned us—although few have heeded his warning—that ("Immo. Dei") "it is the day for all Christians worthy of the name . . . to endeavor to bring back all society to the pattern and form of Christianity."

There is much agitation in Christian circles about the advances which Communism is making in our midst. There is also diversity of opinion, it seems, whether or not Communism one day will gain control of our destinies in America—America that once was Christian America; America that once gloried in the fact that its early settlers sought our shores because their Christianity, in many instances, was the object of attacks in the Old World.

My friends, learn this lesson thoroughly: Communism is only one manifestation of the power of the mystical body of Satan. Leave it to future generations to name its next manifestation—but be not deceived. If not Communism, then some other "ism" will succeed in overthrowing the last vestige of organized Christianity in our midst, if we fail now, at this very moment, to cast aside our indifference, our false tolerance, our criminal prudence, and organize thoroughly to re-establish the social order of Jesus Christ for the protection of our nation against the incursions of a diabolical philosophy of internationalism which is well-organized amongst us.

Yes, I repeat that it is our duty to protect our nation to exhibit a Christian patriotism.

The great Saint Thomas is my authority for stating that "our parents and our native land, by whom and in which we have been begotten and reared, are also principals of our existence and guidance. Accordingly, after God, a man is most indebted to his parents and his country."

Contrary to this is the new naturalism and internationalism which rejects both God and patriotism. Pope Benedict XV, after having condemned the naturalism which was rampant in his day, went on to say: "The advent of a universal republic, which is longed for by all the world's worst elements of disorder, and confidently expected by them, is an idea which is now ripe for execution. From this republic, based on the principles of absolute equality of men and community of possessions, would be banished all national distinctions. Nor in it would the authority of the father over his children, or of the public power over the citizens, or of God over human society, any longer be acknowledged. If these ideas are put into practice, there will inevitably follow a reign of unheard of terror."

Shame on those men who decry the advances of Communism in the face of such statements by such eminent observers! I am not interested in names—call it Communism, or call it what you will—. I am interested in the modern spirit which dominates our country in some phases of government, in the press, in the schools, in the homes and in the milk-and-water individuals whose philosophy is: "God's in His heaven, all's right with the world"—the philosophy of insane, stupid optimism.

Shame on those public teachers who, in pulpit, on platform and in pamphlet, decry the existence of an organized international, malicious group of men—the members of the mystical body of Satan.

Do they remember the words spoken by Christ of old to the Pharisees? These leaders of the Jewish people, who had repudiated the supernatural social order of God, were endeavoring to obstruct the Messiah because He made converts amongst the Jews. They boasted that they were descendants from Abraham. Despite their royal lineage, the Master branded them with the statement: (John viii; 44) "You are of your father, the devil, and the desires of your father you will do"—as if to say, "You are not of Abraham. You are not of God. You are the group whose descendants will continue to work against God."

Christian unification—a rebirth of Christian social action; a revived determination to break the bonds of our lethargy and indifference—for these things I plead, as we rise from the tomb of our defeats to unfurl the flag of victory.

Social justice has specific principles. First, it is Christian. Second, it is social. Thirdly, it is active. And fourthly, it is militant. These are the qualifications for all who are prepared to surrender the heresy of naturalism and to defend the truth of the supernatural social order of Jesus Christ—an order that will not be tolerant with error—an order that will not be content with indifference; an order composed of members who, in the words of Leo XIII ("Longin Oceani") are determined "to cut off familiar intercourse not only with the openly wicked, but with those who hide their real character under the mask of universal tolerance, of respect for all religions, of the mania for reconciling, the maxims of the gospel with those of the revolution, Christ with Belial, and the Church of God with the state without God."

In 1906, long before the Spanish Civil War broke out, Pius X addressed a letter to the Church of Spain, the contents of which are applicable to American Christians. On that occasion—twenty years before the revolution—he said: "All must remember that nobody has the right to remain indifferent, when religion or the public welfare are in danger. Those who strive to destroy religion and civil society aim above all at getting control, as far as possible, of the direction of public affairs and at having themselves elected legislators. It is therefore necessary that Christians should strive with all their might to avert that danger."

Nineteen hundred and six to nineteen hundred and thirty-eight! Oh that the Spanish had heeded this warning!

Therefore we Christians in America must not be indifferent to the choice of legislators or congressmen or executives who seek to control our nation.

I ask you not to misinterpret these following remarks therefore, as being those of a political partisan—remarks concerning our recent election.

In the agricultural States of the Middle West where hundreds of millions of dollars had deluged the farmers with doles—in this section of our nation the sturdy agriculturists, to all intents and purposes, said: "We are not pleased with the policy of crop curtailment. We are opposed to the practice of plowing up corn, of limiting the production of foodstuffs. If one-third of the population of this nation is underfed, we refuse to become party of the program of keeping them underfed. We refuse to accept the sops of government dole which presume to pay us for not working."

The thickly populated industrial States of Pennsylvania, Michigan, Ohio and Wisconsin were the scenes of a revolt against the Administration's labor policies.

These were the States where the C. I. O. rode roughshod over orderly government. These were the States in which, for a period of two years, there was witnessed a series of sit-down strikes and the appearance of a labor dictator at the head of a strange organization, as he triumphed over American traditions in his meteoric rise to prominence.

Without the benefit of election to the office which he held; dedicated to the rule of man and not of law; innocent of all constitutional authority, Mr. Lewis simply appointed himself as head out a constitution within whose scope, I, the un-elected head of this organization, will operate. I am the law. I am the constitution. I am the self-appointed, self-elected leader of the industrial masses."

My friends, do not misconstrue my meaning. I am in no sense opposed to industrial unions, but I am opposed to any organization which refuses to follow the American pattern in our country and which refuses to break openly and cleanly with Communism—with any organization or "ism" opposed to the Christian social order.

As a secondary contribution to the defeat of the New Deal policies for labor in the industrial States must be added the extreme liberalism and the universal tendency of certain public servants to coddle Communists. In one or two States, certain executives failed to distinguish between Communism and a Communist. Following the lead of Federal executives, they failed to repudiate the endorsement of the Communist Party in terms



sufficiently vigorous to let their constituents know that they had no sympathy for a foreign "ism" whose advertised objective was to overthrow the traditional government of America, to tear the Stars and Stripes into shreds, and to trample the cross of Christ in the gory mud of revolution. That was unfortunate—doubly unfortunate, since this failure to uphold uncompromising Christianity and Americanism is charged to men who, unquestionably, are sincere.

In proud New England, where ghost factories haunt both the industrialist and the laborer, and where thousands of dispossessed citizens—dispossessed from their jobs, and their homes—eke out an existence on the W. P. A., a political revolution of the first magnitude was enacted last week. Still suffering from the devastation of the recent floods, New England, mindful of its former security and prosperity, registered its unmistakable disapproval of the W. P. A. policies. Most citizens recognized that the W. P. A. was necessary at the beginning of the depression. But, for more than a year, there was evident a growing unrest even on the part of those employed on the W. P. A. because they feared that this was a permanent program.

Even populous New York State, where more W. P. A. dole money has been spent than in New England, a barely known, youthful crusader, confronted by the might of the opposition's heaviest artillery, strung his bow of defiance so successfully that he barely missed the mortal mark. Had he two or three arrows in his quiver—two or three years of successful campaigning behind him—there is no question but that he would have succeeded single-handedly against the regiments of dole dollars which subdued him.

Seven years ago and more I was protesting vehemently against less-than-living wages paid to labor.

Seven years ago and more I was recognized in many quarters as a radical for upholding the proposition of production at a profit for agriculture.

Ever since it was my privilege to address a radio audience I have spoken, in season and out of season, against the rugged individualism of capitalism and Republicanism as we knew them in this nation.

But for the past four years I became known as one of the arch-critics of certain national policies—not because I am opposed, or was opposed, to the New Deal—but because I knew in my heart that if it continued to pursue the policies which characterized the A. A. A. and the W. P. A.; the policies which emanated from the Labor Department; and particularly the pol-

icies which dominated the Treasury Department—I knew that a day of reckoning was fast approaching—a day whose sunrise was chronicled last Tuesday, and whose sunset is no further distant than November, 1940.

I speak truthfully to you: I am still standing by the working man and the farmer, still pleading with him to organize, but on an American pattern and according to American, Christian principles.

Today, all good citizens hope that the present Administration will read the handwriting on the wall. Together we pray that this Administration will not be known in history as a political safety valve which permitted the steam of revolution to escape, only to be succeeded by the old regime which once more will stoke up the boiler of exploitation with the fuel of bonds, of debts, of mortgages and of fountain pen money—all of which the New Deal neatly had piled, row upon row, for future use.

My friends, social justice is keenly interested in the production and distribution of wealth. Not distribution which is measured out by the yardstick of scarcity, but a just distribution based upon our ability to produce—an ability which in America means plenty for all.

God gave us plenty—plenty of raw materials, plenty of splendid factories, plenty of fields and mines, plenty of skilled workmen.

If some policy—originating not with God but with man—hinders or hampers production and distribution, that policy must beat a retreat. Its beneficiaries must surrender; for God never intended or planned that a man-made economy should stand between His people and their just share in the goods of the nation where He placed them.

There is no Christian reason for 14-million men to be unemployed. There is no Christian need for 9-million and more to be recipients of federal dole. There is no Christian sanction for 50-million persons in our nation to be compelled unnecessarily to live below the standards of hygiene.

In its final analysis, is it not perfectly clear that these abuses are traceable to an economic system of finance which is more concerned with protecting the bonds of debt and the payment thereof, than it is in establishing an adequate purchasing power for the nation?

Banks are busied buying bonds instead of lending money to industry.



The privately owned central bank, known as the Federal Reserve Bank, is busied creating debt money far beyond the value of assets in its vaults.

The factory laborer is busied paying out one-third of his slender revenue to meet the demands of these bondholders.

Financial rights have taken precedence over human rights.

The purchasing power and the decent livelihood of the common citizen have been destroyed in order to preserve the purchasing power of the bondholder for whom he works.

Why should farmers produce sufficient foodstuffs to feed our entire population when half of our population is unable to purchase the products of a farm?

Why should our manufacturers produce motor cars, refrigerators, clothing and housing materials when one-half of our population has no wherewithal to buy their goods?

The machinery of production is perfectly geared in America. In fact, our fields and our factories can supply us with more than we could use even if each citizen were a millionaire.

Fortunately, our citizens are beginning to understand what is meant by want in the midst of plenty. As St. Thomas of Aquin says, "All material things obey money. It is invented by the art of man for the convenience of exchange and as a measure of things saleable."

Alas, the art of man has not kept pace in the instance of money with his art and ability for production. Therefore, either through ignorance, as some think it is, or through conspiracy, which is the opinion of others, America is wedded to a system of financial manipulation which has become a terrible instrument in the hands of the adversaries of the Supernatural Messias and of the supernatural life which He instituted, by hampering instead of facilitating the exchange of goods, the consumption of our products and the functioning of the law of supply and demand.

Social justice, I repeat, is vitally interested in this phase of our political and economic life because, through the private control and issuance of money, the members of the mystical body of Satan have imposed upon us through this financial power a tremendous handicap which places terrible obstacles in the way of those who are striving to live the life of a Christian.

The most brilliant philosopher of all times once said ("De Regi Princ. C. 1-c-15") "Two things are necessary for a good

life. The first is virtuous action . . . The second . . . is the sufficiency of material goods, the use of which is needed for virtuous action."

Therefore, any economic or financial system—an invention of man—which stands in the way of our practising the principles insisted upon by Christ, must give way.

My friends, the members of the Mystical Body of Christ and the devotees of Social Justice demand plenty for all in a land of plenty. Not government ownership of private industry but government ownership and control and issuance of the wherewithal to enable our factories to operate, our farms to prosper and our citizens to live a life of virtue.

The economic reform which was needed in 1933 is still needed. It is our prayer that the present Administration will succeed in accomplishing this objective of establishing adequate purchasing power based on wealth and not on debt for the workers of America. If the so-called New Deal has suffered a political reverse, basically the reason goes deeper than its farm or labor policies. It reaches down to the depth of its inability to function for the great mass of the American people instead of the privileged few who own and control money and the bonds resultant from debts—bonds which are a millstone about the neck of civilization.

Meanwhile, take courage, my friends. Form your ranks in the church militant!

This America is Christ's America. His social order must prevail.

## THOUGHT FOR THE WEEK

(Chapter 6, verses 5 to 13—St. John)

When Jesus therefore had lifted up his eyes, and seen that a very great multitude cometh to Him, he said to Philip: Whence shall we buy bread, that these may eat?

"And this He said to try him; for He Himself knew what he would do.

"Philip answered Him: Two hundred pennyworth of bread is not sufficient for them, that every one may take a little.

"One of his disciples, Andrew, the brother of Simon Peter, saith to Him:

"There is a boy here that hath five barley loaves, and two fishes; but what are these among so many?

"Then Jesus said: Make the men sit down. Now there was much grass in the place. The men therefore sat down, in number about five thousand.

"And Jesus took the loaves; and when He had given thanks He distributed to them that were set down. In like manner also of the fishes, as much as they would.

"And when they were filled, He said to His disciples: Gather up the fragments that remain, lest they be lost.

"They gathered up therefore, and filled twelve baskets with the fragments of the five barley loaves, which remained over and above to them that had eaten."

It was the feast of the Passover—the feast which commemorated the liberation of the Jews from the bondage of Egypt. Thousands of them, under the leadership of Moses, passed from Egypt over the sea whose waters had been walled on high. Pursuing them were the hosts of Pharaoh, desiring to recapture their erstwhile victims. Too late! God's miracle which assisted the escape of a downtrodden people, permitted the waters to engulf both chariot and rider. The Jewish people had been saved! For forty years the children of Abraham wandered aimlessly through the narrow confines of a desert.

Forgetful of the mercies which their Creator had bestowed upon them, they gathered their trinkets of jewels and built for themselves a golden calf to worship.

For forty years, despite the miracles of manna which fed them and the miracles of the rod of their prophet that brought them drink in the midst of a desert, they were slow to repent.

Eventually, with penance done and satisfaction made, they

were led into a land of milk and honey—The Promised Land of their dreams.

To the children of these wanderers Christ spoke as they were gathered on the hillside near Jerusalem.

Amongst them there were not two hundred pennies with which to purchase food—just five barley loaves and two fishes.

And lo! the miracle!

They who were hungry were filled! (No policy of regulation characterized this miracle of Christ's; for twelve baskets of bread, over and above what the multitude had eaten, still remained.)

My friends, in one sense we Americans thought we had passed over the Red Sea; thought that we had escaped the oppression of the Egyptians; thought that we had entered the precincts of the promised land in 1933.

Alas! For forty months or more we have been languishing in the desert of depression despite the best efforts of a new Moses to lead us to the promised land of plenty.

Year after year we have excluded Christ and His gospel of the brotherhood of man and the fatherhood of God from our consideration—and all around us are the poor, the naked, the hungry, the brokenhearted who have not two hundred pennies amongst them in a land of plenty to purchase food and shelter and humble raiment.

Meanwhile, the Prince of Peace has been excluded from the councils and parliaments of men and we have fashioned for ourselves a golden calf to worship and adore. Meanwhile, preparations are afoot to create instruments of destruction.

Hate and persecution have become the watchwords of a world that once more has nailed the hands of Christ to the cross—hands, if we did but unfasten the nails, which would be raised to bless us, to multiply food, to forgive us.

Have we lost faith in Him Who said: "Seek ye first the kingdom of God and His justice, and all things will be added unto you?"

Have we scorned His words which warned us that "Without Me you can do nothing?"

Have we joined with the mob in Pilate's Hall who shouted: "Give us Barabbas and away with Christ!"—"Give us the Barabbas of thievery, of godlessness, of murder and of human trickery; away with the Christ of love, of humility, of kindness and of patience!"

Today, my friends, as you are gathered about your receiv-

ing sets, visualize the Master standing with you. He is there—unseen, unheard. Once more He has compassion upon you. Once more, He is wondering if you will walk with Him—or away from Him—now that He has fed you.

O yes! He has fed us. He has been doing this throughout America for years with the factories He built, with the fields He tilled, with the plenty that He has given us.

Unless we cease worshipping the calf of gold, the promised land of plenty will always be within our reach, but always another day's journey through the sands of depression.

May Jesus see today what He saw nineteen hundred years ago! The gospel narrative says: "When Jesus had lifted up His eyes and seen that a very great multitude cometh to Him, He said to Philip: whence shall we buy bread, that they may eat?"

First, then, let us come to Him. Then He will feed us.

#### A PRAYER FOR WORK

O Jesus, Son of God and Foster-Son of Joseph, the Carpenter, I call upon Thee!

By Thy hands, calloused in Joseph's shop, grant that my hands shall find work to do.

By Thy shoulders, bent and tired from carrying heavy timbers, grant that mine may grow weary with work.

At eventide Thou didst come home to Mary's board where food abounded.

I plead with Thee that my wife's table shall be filled with frugal comfort.

Upon Thy knee Thou didst welcome the little children who didst gather there.

O turn not Thine eyes away from my children, whom, tonight, I must meet hungry, naked and forlorn!

Thine own Apostles Thou didst feed, once, as they walked through the cornfields; again, as they assembled with Thee in the upper chamber.

On Thee I call to help me feed the family which Thou didst entrust to my care.

O Christ, my God, my elder Brother, Thou didst multiply bread to feed the hungry upon the hillsides of Palestine.

For myself and the millions who, today, are just as hungry as were those who gathered about Thee, I ask that, once again, Thou wouldst multiply work that we may live.

Of old Thou didst obtain miraculously a coin to pay the tribute of tax imposed upon Thee.

Grant that I may gain the wherewithal to save my humble home from confiscation.

Of old Thou didst say, "Come unto Me, all ye who labor and are heavily burdened, and I will refresh you."

My God, I come!

I bring to Thee a heart that is scarred with worry—worry for the dear ones at home.

I bring to Thee a mind that is filled with fears—fears born of idleness and of want.

I bring to Thee a soul that is in sore need of refreshment.

O give me hope and courage!

O Jesus, Who once spoke in defense of the exploited of Thy day; O Master, Who once chastised those who devoured the houses of widows and orphans, speak for us who call upon Thee!

Grant that the minds of our legislators will be enlightened; that their hearts will be softened.

My voice is but the voice of millions raised to Thee. O Carpenter of Nazareth, intercede for me, for I am hard pressed! Grant that I, the unemployed, Thy brother, shall not languish in want amidst the plenty which Thou hast created.

O Carpenter of Nazareth, I am not worthy of all I ask of Thee! I have sinned—I have strayed far away from Thee.

But those babes watching for my return tonight—they are innocent—they are gentle and good.

For them I plead that I may work.

Tonight they shall say Thy prayer. Tonight as yesternight they will say: "Give us this day our daily bread."

O God, must I offer them a cold cup of gruel or a hard crust of bread?

No, O no, Thou didst not mean that!

Of Thee I ask no miracles. O God, grant me work!

Of Thee I ask no special privilege. O God, grant me work!

Of Thee I ask no riches. O God, grant me work!

Of Thee I ask no social prominence. O God grant me work!

Thy prophet did say, "The earth is the Lord's and the fullness thereof." O Lord God, just a little share in its wealth; just a little part of its fulness; just a humble roof-tree and frugal food earned by the sweat of my brow—that is all I ask.

O God, grant me work!



# Persecution — Jewish and Christian

*Sunday, November 20, 1938*

At long last, a calloused world has come in personal contact with a persecution which it understands. At long last, it appears that the better sympathies of an indifferent citizenry are aroused to protest against the mad injustices now being meted out to a minority people resident abroad.

This afternoon bear with me while I add my voice in protest against persecution—that murderous weapon of hatred; bear with me while I endeavor to trace to its lair the fanged serpent of hatred whose sting has struck once again to spew poison and deal out death over the face of the earth—a fanged serpent which, on every previous occasion, has beat a slimy retreat to rest in security until appropriate conditions summoned it to emerge and repeat its devastation.

This time a united world must shatter the cruel weapon of persecution. This time we must assault hatred so that never again will it lift its head to assault us.

Thus, I shall ask an intelligent audience composed of intelligent Christians and intelligent Jews: "Why is there persecution in Germany today? How can we destroy it?"

Before attempting to answer these questions, permit me to review for the uninformed members of this audience the chief incidents immediately preceding the latest manifestations of persecution suffered by thousands of innocent Jews, natives of Germany; a persecution which, fortunately for all, has received a superabundance of publicity both at home and abroad.

A few days ago, a young Polish-Jew fired a shot that was heard around the world. Because his Polish-Jewish parents were dismissed from Germany by an order issued by the Nazi government, expelling all foreign-born Jews from the Reich, this frenzied youth murdered a German public official in Paris.

Reprisals for this imprudent act were rapid on the part of the Hitler government—peculiar reprisals. Instead of demanding an eye for an eye or a tooth for a tooth, the German government levied a fine of approximately \$400-million against the 600,000 German-Jews resident in Germany.

Following this, the American newspapers were aglow with headlines. Our public officials were loud in their denunciations. Our ecclesiastical leaders were quick to disapprove of this vengeance. Our President spurred on the nation's sympathetic emotions by saying: "I myself could scarcely believe that such things could occur in a twentieth century civilization."

To be effectual in our discussion, which is not content merely with offering sympathy for the innocent German-Jews; which is not satisfied with registering protests against the German government—to be effectual in our discussion, which aims at unveiling the cause of persecution and then, at destroying it, it is necessary to record the following facts.

Although cruel persecution to German-born Jews has been notorious since 1933—particularly since the loss of their citizenship—nevertheless, until last week the Nazi purge was concerned, chiefly, with foreign-born Jews. German citizen Jews were not molested officially in the conduct of their business. The property of German citizen Jews was not confiscated by the government, although a few synagogues and stores were destroyed by mob violence. The children of German citizen Jews were permitted to attend public schools with other children. The German citizen Jewish bankers pursued their business as usual. The German citizen rabbis were permitted the practice of their rites. Until this hour no German citizen Jew had been martyred for his religion by government order although restrictions were placed upon Jewish professional men.

While it is true that foreign citizen Jews resident in Germany were disparaged and expelled, it is likewise true that many social impediments were placed in the pathway of Catholics and Protestants by the Nazi government—impediments which are revolting to our American concepts of liberty. But despite all this, official Germany has not yet resorted to the guillotine, to the machine gun, to the kerosene-drenched pit as instruments of reprisal against Jew or gentile.

My friends, it is only natural, however, that the civilized world

was shocked at the turn of events and at the imposition of a tremendous fine levied against innocent German-Jews because a Polish-Jew murdered a German government official. It is only natural that the Jews resident in America are aroused because their co-nationalists and co-religionists, living under the jurisdiction of Chancellor Hitler, have been subjected to such an unreasonable reprisal. It is likewise natural that Christians in every nation, particularly in our own, condemn this unjust persecution not only because it is unchristian, but because it is unwise.

In all countries Jews are in the minority. They have no nation of their own; they have no flag. *"The World Almanac"* states that there are only 15-million Jews in all the world and only 4-million resident in North America. Certainly they are in the minority—but a closely woven minority in their racial tendencies; a powerful minority in their influence; a minority endowed with an aggressiveness, an initiative which, despite all obstacles, has carried their sons to the pinnacle of success in journalism, in radio, in finance and in all the sciences and arts.

Thus, with these facilities at their disposal, no story of persecution was ever told one-half so well, one-half so thoroughly as the story of this \$400-million reprisal which culminated a series of persecutions. Perhaps, may I resubmit, this is attributable to the fact that Jews, through their native ability, have risen to such high places in radio and in press and in finance; perhaps this persecution is only the coincidental last straw which has broken the back of this generation's patience.

Whatever be the reason for this unparalleled publicity, we are thankful to God that it has happened; for it gives both Jew and gentile, Christian and non-Christian, an opportunity to write a new precedent, to establish a new tradition—a precedent and tradition by which we will all unite with all our facilities for all time to oppose all persecution wherever it may originate.

The Jew has challenged the Christian for his sympathy and cooperation. In turn the Christian challenges the Jew for his.

Thus, in a spirit of mutual cooperation; in a scientific spirit of coldly facing causes in order to remove effects, let us pause to inquire why Naziism is so hostile to Jewry in particular and how the Nazi policy of persecution can be liquidated.

It is the belief, be it well or ill founded, of the present German government, not mine, that Jews—not as religionists but as nationals only—were responsible for the economic and social ills suffered by the Fatherland since the signing of the Treaty of Versailles.

Imbued with this idea, be it right or wrong—an idea that spread rapidly, particularly since 1923 when Communism was beginning to make substantial advances throughout Germany—a group of rebel Germans under the leadership of an Austrian-born war veteran—Adolf Hitler by name—organized for two purposes. First, to overthrow the existing German government under whose jurisdiction Communism was waxing strong and, second, to rid the Fatherland of Communists whose leaders, unfortunately, they identified with the Jewish race.

Thus, Naziism was conceived as a political defense mechanism against Communism and was ushered into existence as a result of Communism. And, Communism itself was regarded by the rising generation of Germans as a product not of Russia, but of a group of Jews who dominated the destinies of Russia.

Were there facts to substantiate this belief in the minds of the Nazi Party, I ask?

Official information emanating from Russia itself informed the world that Communism, while barbarously opposed to every form of Christianity, made it a crime for any comrade to utter a single word of reproach against the Jews.

Uncontradictable evidence gleaned from the writings and the policies of Lenin, proved indisputably that the government of the Soviet Republics was predominantly anti-Christian and definitely anti-national.

More than that, the 1917 list of those who, with Lenin, ruled many of the activities of the Soviet Republic, disclosed that of the 25 quasi-cabinet members, 24 of them were atheistic Jews, whose names I have before me. The list, published by Nazis and distributed throughout Germany, is as follows:

<i>Assumed Name</i>	<i>Real Name</i>	<i>Nationality</i>
Lenin	Oulianow (Ulianoff)	Russian
Trotsky (Trotzky)	Bronstein	Jewish
Steckloff	Nakhanes	Jewish
Martoff	Zederbaum	Jewish
Zinovieff	Apfelbaum	Jewish
Kameneff	Rosenfeld	Jewish
Dan	Gourevitch (Yurewitsch)	Jewish
Ganetzky	Furstenberg	Jewish
Parvus	Helpfand	Jewish



Uritzky	Padomilsky	Jewish
Larin	Lurge	Jewish
Bohrin	Nathansohn	Jewish
Martinoff	Zibar	Jewish
Bogdanoff	Zilberstein	Jewish
Garin	Garfield	Jewish
Suchanoff	Gimel	Jewish
Kamnelff	Goldmann	Jewish
Sagersky	Krochmann	Jewish
Riazanoff	Goldenbach	Jewish
Solutezeff	Bleichmann	Jewish
Piatnitzky	Ziwin	Jewish
Axelrod	Orthodox	Jewish
Glasunoff	Schultze	Jewish
Zuriesain	Weinstein	Jewish
Lapinsky	Loewensohn	Jewish

Be it emphasized that these Jews were not religious Jews. They were the haters of God, the haters of religion.

Throughout Germany antipathy towards all Jews, however, grew rapidly. It was increased year by year — and particularly in 1935 when the official disclosure made manifest that the central committee of the Communist Party, operating in Russia, consisted of 59 members, among whom were 56 Jews; and that the three remaining non-Jews were married to Jewesses.

The list of their names published by the Nazis follows:

Non-Jews married to Jewesses (3): L. V. Stalin, S. S. Lobow, V. V. Ossinsky. Jews (56): V. V. Balitsky, K. J. Baumann, I. M. Varelkis, J. B. Gamarnik, I. I. Egoft, I. A. Zelensky, I. D. Kabakoff, L. M. Kaganowitz, V. G. Knorin, M. M. Litvinoff, I. E. Liobimow, D. Z. Manouilsky, I. P. Nossow, J. L. Piatakow, I. O. Piatnitzky, M. O. Aazoumow, M. L. Ruchimovitch, K. V. Rindin, M. M. Houtaevitch, M. S. Tchuodow, A. M. Schvernirk, R. I. Eiche, G. G. Iagoda, I. E. Iakir, I. A. Iakovlew, F. P. Griadinsky, G. N. Kaminsky, I. S. Unschlicht, A. S. Boulin, M. I. Kalmanowitz, D. S. Beika, Zifrinovitch, Trachter, Bitner, G. Kaner, Leo Krichman, A. K. Lepa, S. A. Lozovsky, B. P. Pozern, T. D. Deribass, K. K. Strievsky, N. N. Popow, S. Schwartz, E. I. Veger, I. Z. Mechlis, A. I. Ougarow, G. I. Blagonravow, A. P. Rosengloz, A. P. Serebrovsky, A. M. Steingart, I. P. Pavlounovsky, G. I. Sokolnikow, C. I. Broido, V. I. Polonsky, G. D. Veinberg, M. M. Kaganowitz.

I speak these words, certainly holding no brief for Germany or for Naziism. Simply as a student of history, I am endeavor-

ing to analyze the reason for the growth of the idea in the minds of the Nazi Party that Communism and Judaism are too closely interwoven for the national health of Germany.

Nor do I speak these words to defend the atheistic, international Jews and gentiles throughout the world who follow the footsteps of Lenin and advocate the principles of Marx. I do ask, however, an insane world to distinguish between the innocent Jew and the guilty Jew as much as I would ask the same insane world to distinguish between the innocent gentile and the guilty gentile.

Believe me, my friends, it is in all charity that I speak these words as I seek to discover the causes that produced the effect known as Naziism—Naziism which was evolved to act as a defense mechanism against the incursions of Communism.

Let us not forget the object of this discussion. My purpose is to contribute a worthwhile suggestion to eradicate from this world its mania for persecution.

Thus, while we are concerned with destroying the causes which beget persecution from this civilization of ours, let us profit by this occasion when the attention of our own country has been called to this international immorality, particularly on the occasion of a \$400-million fine being levied against 600,000 Jews.

I ask you: Should not all good men—Jew and gentile, Catholic and Protestant, Christian and non-Christian—coordinate their forces to restore sanity, peace and justice to an era which for its ferocity, its barbarism and its hatred has outstripped the Diocletians, the Neros and Torquemadas of old?

I was thrilled to hear the most intellectual Archbishop of San Francisco remind his compatriots that this universal surge of sympathy whose waters are now about to wash clean the impure emotions of a materialistic America—I was thrilled—and so were you—to hear him state that, at long last, the press and the radio of this nation are beginning to play their part in arousing a dormant people to the other injustices and persecutions which are besmirching our civilization—the persecutions in Russia, in Mexico and in Spain.

Persecution is an injustice, wherever it exists. Today's persecution was born from the loins of yesterday's persecution. Thus, if Naziism, a persecutor of Jew and Catholic and Protestant, is a defense mechanism against Communism, be assured that Communism, another persecutor, was a defense mechanism against



the greed of the money changers, who persecuted and pilloried the teeming populations of Europe.

Permit me to re-state that important principle: If Naziism is now memorable for its injustice and persecution, so was Communism; so was the economic system which made slaves of millions in the midst of plenty; the system which generated Communism.

Thus, one persecution begets another as one injustice evolves into another.

The inevitability of cause and effect will pursue its course to its logical destiny of chaos as one injustice continues to reproduce a worse injustice.

It is our concern, therefore, to destroy the cause in order to prevent a succession of disastrous effects. To abolish persecution, let us destroy hatred. To eliminate hatred, let us establish justice—justice for all without exception.

Any other approach to our problem is unscientific.

And, may I add, there can be no justice without God; there can be no God without love—love for Him and for our fellow-men whom He fashioned according to His image and likeness.

Be not mistaken, therefore, in analyzing the cause of Naziism. Trace it courageously to its legitimate lair, to its occasioning cause.

Therefore, I say to the good Jews of America, be not indulgent with the irreligious, atheistic Jews and gentiles who promote the cause of persecution in the land of the Communists; the same ones who promote the cause of atheism in America. Yes, be not lenient with your high financiers, and politicians who assisted at the birth of the only political, social and economic system in all civilization that adopted atheism as its religion, internationalism as its patriotism and slavery as its liberty.

"In our possession we have a copy of the official *'White Paper'* issued by the English War Cabinet in 1919." (N.B.: These words I used in a discourse of Sunday, November 20th, 1938. In compiling this booklet of discourses permit me to add the following information which I did not deliver over the radio on that date. The official British *"White Paper"* says:

"I consider that the immediate suppression of Bolshevism is the greatest issue now before the world, not even excluding the war which is still raging, and unless, as above stated, Bolshevism is nipped in the bud immediately, it is bound to spread in one form or another over Europe and the whole world, as it is organized and worked by Jews who have no nationality and whose one object is to destroy for their own ends the existing order of things."

Because so much controversy arose and so many denials were made relative to facts which I obtained from the British *"White Paper"*—particularly about Bolshevism being attributed to the Jews—I am supplying all the readers of this discourse with photostatic copies of that portion of the original British *"White Paper"* which later on was expurgated, and which expurgated edition my critics used in denying the validity of the facts which I presented.

I am also supplying photostatic copies—pages 88, 89, 90, 91, 291, 292, 293—of Father Fahey's book, *"The Mystical Body of Christ,"* and his references to the American Intelligence Report U. S. Army No. 2 which he calls the American Secret Service and which name was used by the French High Commissioner.

Critics have denied the existence of this testimony. But the *"Documentation Catholique"* of March 6th, 1920, together with other documents which the photostats reveal guarantee it.)

This official paper prints the names of the Jewish bankers, Kuhn, Loeb and Company of New York City, among those who helped to finance the Russian Revolution. Since then, both Jewish and gentile financiers have been according financial comfort to the Soviet Republics.

Perhaps these financial overtures were made in innocence—perhaps not.

Moreover, I have before me a quotation from *"The American Hebrew"* of September 10, 1920 which says: "The achievement (the Russian-Jewish Revolution.—Ed.), destined to figure in history as the overshadowing result of the World War, was largely the outcome of Jewish thinking, of Jewish discontent, of Jewish effort to reconstruct."

Let our remarks be couched in the language of charity when referring to that quotation: "It was a Jewish effort to reconstruct." But, in justice, we expect that results—that truth founded upon fact and experience—now will convince all Jewish leaders worthy

of the name to repudiate vigorously atheistic Communism and its followers whence emerges the fanged serpent of persecution. Then and only then can we coordinate our forces to banish hatred and injustice from the nations of the world.

Now that experience has proven that this effort to reconstruct society by means of Communism died a-borning—now that this same experience teaches us that from the birth-cradle of Communism there rose the stench of Nazi persecution; now that this Communism is permeating the entire world with the fumes of hate, of destruction and of irreligion, is it not time for those Jews and Christians who have escaped unscathed, to re-purify the atmosphere of the world, first, from Communism, lest by its continued presence, an unjust defense mechanism similar to Naziism will spring up to assail us?

Thus, it is my hope that the thousands of erudite, sincere Jews in this nation, together with all informed Christians, will recognize that as long as misguided Jews and gentiles both, and in such great numbers, continue to propagate the doctrines of anti-God, anti-Christ, anti-patriotism and anti-property, so long there always will exist some defensive mechanism against Communism. Today it is Naziism in Berlin. Tomorrow it will be some other "ism" in New York. But always it will be characterized by persecution.

It would be ignominious for Christians, at this hour, to cloak themselves in the garments of crass silence on the subject of Communism from which cesspool there originated Naziism. It would be ignoble for us not to raise our voice in defense of the 600,000 Jews subjected to so many persecutions by the Nazis, culminating in a fine of \$400-million.

However, it is my opinion that Naziism, the effect of Communism, cannot be liquidated in persecution complex until the religious Jews in high places — in synagogue, in finance, in radio and in press—attack the cause, attack forthright the errors and the spread of Communism, together with their co-nationals who support it.

My fellow citizens, I am not ignorant of Jewish history. I know its glories. I am acquainted with its glorious sons. I am aware of the keen intellectuality which has characterized its progress in commerce, in finance, in all the arts and sciences and, particularly, in the field of communications.

But I am also aware that every nation from time immemorial has lifted in its hand the lash of persecution to strike the back of Jewry. From Nineveh to Berlin; from ancient to modern

times, a constant moan of suffering has been raised from the Weeping Wall whose structure now has encompassed the world.

Portugal and Spain, France and Germany, England and the northern countries, Italy and Russia — all, in turn, have taken their stand at the pillar of persecution to wield the leaden lash about the shoulders of Jews—for what reason I need not detail at the moment. I will satisfy myself simply by drawing to your attention that, since the time of Christ, Jewish persecution only followed after Christians first were persecuted—persecuted either by exploiters within their own ranks, as in the Middle Ages, or by enemies from without, as in our own days—the days of Communism.

Many historians — in fact, the vast majority of them — maintain that the Jews were persecuted because of their social philosophy.

Parallel with their persecution has been the persecution of Christians — not for their social philosophy but for their religion.

Relative to Christian persecution in our own day — in this most enlightened day of the 20th century — witness the price that Christians have paid to uphold their religion against those who were anti-religious; to uphold their Christ against those who were anti-Christ; to uphold their patriotism and nationalism against those who were unpatriotic and international.

Between the years 1917 and 1938 more than (c.) 20-million Christians were murdered by the Communistic government in Russia.

Between these same years not \$400-million but (c.) \$40-billion—at a conservative estimate—of Christian property was appropriated by the Lenins and Trotskys, the Zinovieffs and the Kameneffs, the Litvinoffs and the Lapinskys — by the atheistic Jews and gentiles—both—of Russia.

Those were the desperate days when Christians were not expelled from their native land but were targets for the machine gun which beat out its tattoo against human hearts; incredible days when the altars of Christ were desecrated and the servants of Christ were massacred on ever-multiplying Calvarys.

Our President recently said: "Such news from any part of the world"—speaking of the persecution of the Jews in Germany—"Such news would inevitably produce a similar profound reaction among American people in every part of the nation." Alas! the news of Christian persecution came to our shores. Alas! the



press and the radio were almost silent. Alas! this present government made friends of these murderers by recognizing their flag!

Those were the days when there was silence in the press; days when there was silence on the radio because opposition to Communism was a "controversial" subject.

Turn the pages of history to recent years when the disciples of the Communists, atheists, internationalists and anti-Christians obtruded their philosophy into Mexico. Although the Christian world stood aghast while hundreds of millions of dollars of property, including ecclesiastical institutions, were confiscated, there was no condemnation officially uttered against a Cardenas, there was no recall of the Ambassador Josephus Daniels, there was no national protest on that occasion, there was no invitation extended to the persecuted Christians of Mexico to seek refuge in our land.

Almost contemporaneous with this Mexican madness, directed and operated by the commissars of the Kremlin, the world began to hear the story of disconsolate Spain—Spain that has become the battleground of Communism versus Christianity.

What is the record of that unfortunate country?

(c.) Seven hundred thousand men have fallen in battle. (c.) Three hundred thousand of the noblest non-combatants—men and women and children—have been butchered because of their religion.

The press of America succeeded in muzzling the truth about these horrors. No symposium of radio protest was organized to decry the Christian life-blood spilled upon the pavements of Barcelona—Barcelona with its population of over one million persons where, at this moment, there is left only one, small, semi-official chapel.

Nor was Claude Bowers, our Spanish Ambassador, called back to Washington to tell his story — the most ghastly story in all the pages of civilized or uncivilized history. Nor did the State Department forbid the (c.) 3,200 members of the Abraham Lincoln Brigade, recruited from our Jewish and gentile Communist youth, from participating in dragging Christ down from His cross and slaughtering His innocent followers.

And most recently—just last week—there was no protest, no indignation aroused when Stalin, not satisfied with having paid for his Communism with the blood of (c.) 20-million martyrs—

instituted a new purge against all Christians and a handful of political Jews.

Why, then, was there this silence on the radio and in the press? Ask the gentlemen who control the three national radio chains; ask those who dominate the destinies of the financially inspired press—surely these Jewish gentlemen and others must have been ignorant of the facts or they would have had a symposium in those dark days—especially when students of history recognized that Naziism is only a defense mechanism against Communism and that persecution of the Christians always begets persecution of the Jews.

However, let the dead past bury its dead. Today — this is our day, Christians and Jews. We were not responsible for the atrocities of yesteryear. We will be responsible for the persecutions of future years.

My friends, unless all persecution is stopped; unless all the causes that lead to persecution are removed, this 20th Century, which will have become renowned in the chronicles of the world as the most blood-thirsty in all its existence, will continue to procreate scientists who, in turn, will beget new means for destruction; will generate radicals who will conceive new plans for revolution; and will multiply persecution, unless we have courage to remove the basic causes of exploitation which have been confiscating the properties of the poor.

Therefore, we are in hearty accord with our government which has seen fit to recall its Ambassador from Germany for the purpose of discussing the injustice of a government which has been challenged for persecuting the Jews.

If we are sincere we will recall all the ambassadors or ministers from the communistic countries—from Mexico City where a price is still placed on the head of priests; from Barcelona in whose suburbs (c.) 300 innocent nuns—the breath of life still in their bodies—were drenched with kerosene, and burned alive by official order of the Military Communists, from Moscow where our temples have been turned into museums and where our Christ has been crucified anew—yes, (c.) 20-million times anew.

By all means, let us have a convention of ambassadors.

By all means, let us have courage to compound our sympathy not only from the tears of Jews but also from the blood of Christians—(c.) 600,000 Jews whom no government official in Germany has yet sentenced to death, and (c.) 25-million Christians, at least, whose lives have been snuffed out, whose property has been con-



fiscated in its entirety and whose altars and Christ have been desecrated since 1917 without official protest from America—America that has extended and still extends the right hand of recognition to the murderers themselves.

Let us distil this sympathy into a program of peace — peace, the result of order; order, the offspring of law; and law, the child of justice.

Thanks be to God, both the radio and the press at length have become attuned to the wails of sorrow arising from Jewish persecution!

May these notes rise in rapid crescendo until a symphony, not of hate but of love, not of protest but of determination, fills the heart of every human being in America.

May every honest Jew, every God-fearing Jew, as well as every honest and God-fearing Christian, find themselves cooperating in this common objective.

Gentiles must repudiate the excesses of Naziism. But Jews and gentiles must repudiate the existence of Communism from which Naziism springs.

In conclusion, may we Americans not engage in unreasonable reprisals against any nation.

Let charity be the norm of our conduct as we assemble our forces for action.

Charity that bids us love God with our whole heart and soul and mind; charity that bids us love our neighbors — not for what they are in themselves — but for what God has made them — His sons, our brothers.

P. S.: I know that this address is particularly displeasing to those of communistic mind.

I have it on definite information that these persons have organized to complain to the radio stations to stop my future broadcasts.

Need I say more?

(Photostatic Copy)

# The Mystical Body of Christ in the Modern World

BY

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WITH A PREFATORY LETTER FROM

THE MOST REV. J. KINANE, D.D., D.C.L.

*Bishop of Waterford and Lismore*

BROWNE AND NOLAN LIMITED  
WATERFORD DUBLIN BELFAST CORK LONDON

PRINTED IN IRELAND

## FIRST EDITION

Ribli Obstat :

GULIELMUS COFFEY, S.T.L.,  
Censor.

Imprimi potest :

✠ JEREMIAS,  
Episcopus Waterfordiensis  
et Lismorensis.Waterfordiae, die 19<sup>a</sup> Februarii, 1935.

## SECOND EDITION

Ribli Obstat :

GULIELMUS COFFEY, S.T.L.,  
Censor.

Imprimi potest :

✠ JEREMIAS,  
Episcopus Waterfordiensis  
et Lismorensis.Waterfordiae, die 6<sup>a</sup> Aprilis, 1938.

'Russia, No. 1 (1919), A Collection of Reports on Bolshevism in Russia.' The entire Report is illuminating as to Bolshevik proceedings and aims, but the kernel of the whole matter is contained in the following extract : 'The danger is now so great that I feel it my duty to call the attention of the British and all other Governments to the fact that, if an end is not put to Bolshevism at once, the civilization of the whole world will be threatened. This is not an exaggeration, but a sober matter of fact. . . . I consider that the immediate suppression of Bolshevism is the greatest issue now before the world, not even excluding the war which is still raging, and unless, as above stated, Bolshevism is nipped in the bud immediately, it is bound to spread in one form or another over Europe and the whole world, as it is organized and worked by Jews who have no nationality and whose one object is to destroy for their own ends the existing order of things. The only manner in which this danger can be averted would be collective action on the part of all the Powers. I would beg that this Report be telegraphed as soon as possible in cipher in full to the British Foreign Office in view of its importance.'

"Never has anyone shown more prophetic insight than M. Oudendyke. His forecast has been absolutely fulfilled in every respect, and to-day the Bolsheviks—now about to be received in London—constitute the greatest danger to the peace and stability of the world, even threatening civilization. Whether his vitally important Report reached other Chancelleries we do not know, but our Foreign Office at least was forewarned, and it did not—at first—withhold the warning from the public. The sequel is, however, extraordinary. The original White Paper quickly became unprocurable, and another, an 'abridged edition' with the same title, promptly appeared at 6d. instead of 9d., from which all that we have quoted, and more of almost equal importance, had been carefully eliminated. It would be particularly interesting, but evidently impossible, to ascertain how this suppression of pregnant facts was arranged at the Foreign Office."

The chief document, treating of the financing of the Russian Revolution, is the one drawn up by the American Secret Service and transmitted by the French High Commissioner to his Government. It was published by

the *Documentation Catholique* of Paris on 6th March, 1920, and preceded by the following remarks: "The authenticity of this document is guaranteed to us. With regard to the exactness of the information which it contains, the American Secret Service takes responsibility."

This document was quoted in 1920 in a supplement to the paper, *La Vieille France*, which added: "All the Governments of the Entente were aware of this memorandum, drawn up from the data of the American Secret Service and sent at the time to the French High Commissioner and his colleagues." The memorandum is also to be found in Mgr. Jouin's work, *Le Péril Judéo-Maçonnique*, Part III, pp. 249-251, with the added remark that the Jews have placed obstacles in the way of its publication, so that the great majority of people are unaware of its existence.<sup>1</sup> The document is divided into eight sections. Sections I to IV as well as VI to VIII will be here reproduced for the benefit of readers.

"Section I.—In February, 1916, it was first discovered that a revolution was being fomented in Russia. It was found out that the following persons as well as the banking-house mentioned were engaged in this work of destruction:

"Jacob Schiff (Jew); Guggenheim (Jew); Max Breitung (Jew); Kuhn, Loeb & Co. (Jewish Banking-house), of which the following are the directors: Jacob Schiff, Felix Warburg, Otto Kahn, Mortimer Schiff, S. H. Hanauer (all Jews).

"There can be no doubt that the Russian revolution, which broke out a year after the information given above had been received, was launched and fomented by distinctively Jewish influences.

"As a matter of fact, in April, 1917, Jacob Schiff made a public declaration that it was thanks to his financial help that the Russian revolution had succeeded.

"Section II.—In the spring of 1917, Jacob Schiff began to supply funds to Trotsky (Jew) to bring about the social revolution in Russia. The New York daily,

<sup>1</sup> Though the Jewish origin of Kerensky, who brought about the first Russian revolution of 1917, has been contested, it seems pretty certain he was the son of the Jew Aronne (Aaron) Kerbis and the Jewess Adler. After the death of Kerbis, his widow married a certain Kerensky in Russian Turkestan. This man adopted young Kerbis, who took the name of his stepfather.

*Forward*, which is a Judaeo-Bolshevik organ, gave a subscription for the same purpose.

"Through Stockholm, the Jew, Max Warburg, was likewise furnishing funds to Trotsky and Co. They were also in receipt of funds from the Westphalian-Rhineland Syndicate, which is an important Jewish enterprise, as well as from another Jew, Olaf Aschberg, of the 'Nya Banken' of Stockholm, and from Givotovsky, a Jew, whose daughter is married to Trotsky. Thus the communications were set up between the Jewish multi-millionaires and the Jewish proletarians.

"Section III.—In October, 1917, the social revolution took place in Russia, thanks to which certain Soviet organizations took over the direction of the Russian people. In these Soviets the following individuals made themselves remarkable:

Assumed Name	Real Name	Nationality
Lenin ..	Oulianow (Ulianoff) ..	Russian. <sup>1</sup>
Trotsky (Trotsky) ..	Bronstein ..	Jewish.
Steckloff ..	Nakhames ..	Jewish.
Martoff ..	Zederbaum ..	Jewish.
Zinovieff ..	Apfelbaum ..	Jewish.
Kameneff ..	Rosenfeld ..	Jewish.
Dan ..	Gourevitch (Yurewitsch) ..	Jewish.
Ganetzky ..	Furstenberg ..	Jewish.
Parvus ..	Helpfand ..	Jewish.
Uritzky ..	Padomilsky ..	Jewish.
Larin ..	Lurge ..	Jewish.
Bohrin ..	Nathansohn ..	Jewish.
Martinoff ..	Zibar ..	Jewish.
Bogdanoff ..	Zilberstein ..	Jewish.
Garin ..	Garfeld ..	Jewish.
Suchanoff ..	Gimel ..	Jewish.
Kamnelff ..	Goldmann ..	Jewish.
Sagersky ..	Krochmann ..	Jewish.
Riazanoff ..	Goldenbach ..	Jewish.
Solutzeff ..	Bleichmann ..	Jewish.
Piatnitzky ..	Ziwin ..	Jewish.
Axelrod ..	Orthodox ..	Jewish.
Glasunoff ..	Schultze ..	Jewish.
Zuricsain ..	Weinstein ..	Jewish.
Lapinsky ..	Loewensohn ..	Jewish.

<sup>1</sup> The present writer wishes to add that some authors are convinced that Lenin's mother was a Jewess.



"Section IV.—At the same time the Jew, Paul Warburg, who had been in relation with the Federal Reserve Board, was remarked to be in active contact with certain Bolshevik notabilities in the United States. This circumstance, together with other points about which information had been obtained, was the cause of his not being re-elected to the above-mentioned Committee.

"Section VI.—On the other hand, Judas Magnes, subsidized by Jacob Schiff, is in close contact with the world-wide Sionist organization, *Poale Zion*, of which he is in fact the director. The final end of this organization is to establish the international supremacy of the Jewish Labour Movement. Here again we see the connexion between the Jewish multi-millionaires and the Jewish proletarians.

"Section VII.—Scarcely had the social revolution broken out in Germany when the Jewess, Rosa Luxemburg, automatically assumed the political direction of it. One of the chief leaders of the International Bolshevik Movement was the Jew, Haase. At that time the social revolution in Germany developed along the same lines as the social revolution in Russia.

"Section VIII.—If we bear in mind the fact that the Jewish Banking-House of Kuhn, Loeb & Co. is in touch with the Westphalian-Rhineland Syndicate, German-Jewish House, and with the Brothers Lazare, Jewish House in Paris, and also with the Jewish House of Gunzbourg of Petrograd, Tokio and Paris; if, in addition, we remark that all the above-mentioned Jewish Houses are in close correspondence with the Jewish House of Speyer & Co. of London, New York and Frankfort-on-the-Main, as well as with the 'Nya Banken,' Judaeo-Bolshevik establishment at Stockholm, it will be manifest that the Bolshevik movement is in a certain measure the expression of a general Jewish movement and that certain Jewish Banking-Houses are interested in the organization of this movement."

A few additional remarks about some of the personages above-mentioned may be of interest. According to the

<sup>1</sup> I have here translated literally from the French. Perhaps the original English may have been "acting on" instead of "in relation with."

## APPENDIX I

## JEWISH POWER

## A.

("The Russian Revolution and the English Official White Paper, Russia, No. 1, 1919," by G. P. Mudge, in "Loyalty," June, 1924.)

## WHY DOES THE BRITISH FOREIGN OFFICE SUPPRESS THE TRUTH UNPALATABLE TO JEWRY ?

In the April issue of the *Loyalty League* I dealt with the attempt made, in the course of a series of lectures by a Mr. M. Farbman, at the London School of Economics, to transfer the responsibility for the hideous Russian revolution of 1917 from the real perpetrators, the Jews, and to ascribe it to a purely agrarian movement among the peasants. I undertook in that article to marshal the voluminous and conclusive evidence that this revolution was entirely Jewish in organization and operation, to show that it had nothing to do with an agrarian movement, or indeed with any cause that had Russian interests in view.

Perhaps one of the most damning pieces of evidence, not only that this revolution, but also the world-revolution which is planned, is Jewish, lies in the strenuous and partially successful efforts which organized Jewry has made to suppress the truth about it. Not only has Jewry succeeded in large measure in suppressing the truth, but it has seemingly been able to intimidate or cajole the *British Foreign Office* to suppress a very vital part of one of its own official publications.

## WHAT HAS BECOME OF THE OFFICIAL WHITE PAPER ?

In April, 1919, there was published by the command of His Majesty, and by His Majesty's Stationery Office, a White Paper entitled, *Russia*, No. 1 (1919). A *Collection of Reports on Bolshevism in Russia*. The Foreword, on p. 6, is as follows:—"The following collection of Reports from His Majesty's official representatives in Russia, from other British subjects who have recently returned from that country, and from independent witnesses of various nationalities, covers the period of the Bolshevik régime from the Summer of 1918 to the present date. They are issued in accordance with a decision of the War Cabinet in January last. They are unaccompanied by anything in the nature either of comment or introduction, since they

speak for themselves in the picture which they present of the principles and methods of Bolshevik rule, the appalling incidents by which it has been accompanied, the economic consequences which have flowed from it, and the almost incalculable misery which it has produced."

The position, then, is this: This document as it then stood was published by the specific decision of the British War Cabinet. It was such an appalling document, that it needed neither comment, explanation nor extension. The information in it came from His Majesty's official representatives in Russia and from independent persons who had returned from that country with first-hand knowledge of conditions. The testimony from all these sources of information is the same. Apart from the appalling and fiendish cruelties, the one vital fact which this White Paper reveals is given on page 6, in a report issued by the Netherlands Minister at Petrograd, September 6th, 1918. The Minister was then acting officially for the protection of British subjects and interests, our own official representative, Captain Cromie, having been murdered by the Bolsheviks. The part of the report, in which the one vital and central fact is found, reads as follows:—

"The foregoing report will indicate the extremely critical nature of the present situation. The danger is now so great that I feel it my duty to call the attention of the British and all other Governments to the fact that, if an end is not put to Bolshevism in Russia at once, the civilization of the whole world will be threatened. This is not an exaggeration, but a sober matter of fact; and the most unusual action of German and Austrian consuls-general, before referred to, in joining in protest of neutral legations, appears to indicate that the danger is also being realized in German and Austrian quarters. I consider that the immediate suppression of Bolshevism is the greatest issue now before the world, not even excluding the war which is still raging, and unless, as above stated, *Bolshevism is nipped in the bud immediately, it is bound to spread in one form or another over Europe and the whole world, as it is ORGANISED AND WORKED BY JEWS WHO HAVE NO NATIONALITY, AND WHOSE ONE OBJECT IS TO DESTROY FOR THEIR OWN ENDS THE EXISTING ORDER OF THINGS. . . . I would beg that this report may be telegraphed as soon as possible in cypher in full to the British Office in view of its importance.*"

THE BRITISH FOREIGN OFFICE SUPPRESSES PART OF ITS OWN  
PUBLISHED OFFICIAL DOCUMENTS

This very vital and significant report was sent by the Netherlands Minister in Russia, to Sir M. Finlay, British representative at Christiania, and by him telegraphed to Mr. Balfour at the

## Appendices

British Foreign Office. There are many questions that could very pertinently be asked concerning this report. But there are two at the moment that press for an answer beyond all others: (1) Why was this very alarming and crucial information not published in the Press? Why the almost universal silence concerning it? Whose influence suppressed it? (2) Why did this official White Paper, published by His Majesty's command at the express decision of the War Cabinet in April, 1919, disappear from circulation and become unobtainable? And why was there published in its place an abridged edition, in which this particular passage and very little else of equal importance from the Netherlands Minister's report was eliminated? So that when innocent and unsuspecting Englishmen applied to His Majesty's Stationery Office (never suspecting guile or deception in their own Foreign Office) for this *particular* White Paper, they were given the abridged edition, without specific attention being called to the fact.

A large proportion of those who applied in the ordinary course doubtless accepted what was given them, and little realized the important nature of the truth which had been expunged in the abridged edition. Some, however, wishing for the fullest information, returned the abridged edition and asked for the original. They were told it was out of print. That was the message I myself received about October, 1919. I made a few subsequent applications, always with the same result. It was an untruth for the Stationery Office to say then that it was out of print.

Now we come to the crucial question: Why was this abridged edition substituted for the original? Why did the abridgement take the form it did—i.e., eliminate the damning and sinister fact that: "*Bolshevism is organized and worked by Jews who have no nationality, and whose one object is to destroy for their own ends the existing order of things.*"

Why is the original edition unobtainable? It is an official document and therefore public property. Under what constitutional right does the British Foreign Office refuse to supply it?

It is obviously and logically clear that there is only one race on earth that has any interest in the suppression of this official document, and that race is the Jewish race. No other race nor any civilized Government can be benefited by its suppression, for the report within it says quite specifically: "The danger is now so great that I feel it my duty to call the attention of the British and *all other* Governments to the fact that, if an end is not put to Bolshevism in Russia at once, the *civilization of the whole world* will be threatened."

# Let Us Consider the Record

*Sunday, November 27, 1938*

Following last Sunday's broadcast a vicious campaign of misrepresentation, based upon fancy and not upon fact, has been carried on not only against me, but against the cause I represent.

These attacks, originating with an unprecedented and unsupported announcement made by station WMCA of New York, were the results of last Sunday's broadcast. Please bear that point in mind. These attacks stand or fall on the contents of last Sunday's broadcast.

They were centered upon the following unjustifiable accusations:

1. Coughlin attacks Jews in the most un-American speech ever delivered.
2. Coughlin defends Naziism and the Nazi pogroms.
3. Coughlin asserts that Lenin, Stalin and Lapinsky are Jews.
4. Coughlin says that 30-million Christians were murdered in Russia.
5. Coughlin is in error when he refers to certain Jewish bankers and when he quotes from "The American Hebrew Magazine."
6. And, finally, Coughlin is a sadist, which word means that he is a sexual pervert who obtains gratification from witnessing the sufferings of others.

Passingly, may I state that some of the critics did not hear last Sunday's broadcast, as evidence proves. Passingly, may I remark, this afternoon's presentation will enable us to distinguish the supporters of Communism from its opponents.

Respect for myself and my Christianity compels me to answer every one of these charges.

I beg no quarter. It is my hope that my critics ask for none.

Following this afternoon's address, I trust that, henceforth, these gentlemen, both in the press and out of it, will change their out-moded, inefficient and childish tactics—tactics which belong to a previous century.

Let me become more specific in discussing these charges.

1. Specifically, some rabbis maintain that last Sunday's discourse was an attack against all Jews and was totally un-American. Rabbi Franklin of Temple Beth El, Detroit, said: "The address of Father Coughlin was one of the most vicious talks that I have listened to in a long time."

Rabbi Cohen of the Cleveland Jewish Center, said: "It (last Sunday's talk) was the most un-American speech I have ever heard. It was a pack of lies and statements shrewdly calculated to arouse anti-Semitic reaction in the country."

From proof which I am able to offer, this vast audience will be able to judge for itself if the speech was either vicious or un-American, or a pack of lies. It was an address whose main objective was to point out the cause of all persecution—persecution of Christians as well as of Jews.

Admittedly, I did attack and will continue to attack atheistic Jews and atheistic gentiles and those who sustain them.

But, as a matter of record, I will prove that actually I invited and still invite the non-Communist, non-atheistic Jews, whom I respect and with whom I deeply sympathize, to join with me in combating Communism.

2. Specifically, I am referring to "The Detroit Times" and to the Communist "Daily Worker." The headlines of the former shouted in last Monday's edition: "Storm of Protest Rises Here as Coughlin Defends Nazis. More than 100 telephone calls and 25 telegrams and letters were received by radio station WJR last night and today protesting the radio address of Father Charles E. Coughlin defending Naziism..."

The latter's headlines say: "Coughlin — Defender of Nazi pogroms."

I will prove that these are gross misrepresentations of fact. I will prove that I did not defend Naziism but condemned it vigorously. I will prove that I condemned the Nazi pogroms.



The 100 telephone calls and 25 telegrams and letters referred to as "a storm of protest" is worse than a half-truth. This paper forgot to say that many of these telephone calls and some of the telegrams were sent to station WJR before the address was even on the air. I am permitted to make this statement by the management of WJR.

3. Specifically, I am referring to the editor of "The Jewish Chronicle," Philip Slomovitz, who said: "The entire thesis of the address was based on false data. The man who labels Lenin and Stalin as Jews apparently will not hesitate also to call all the other Communist leaders Jews . . ."

"The burden of proof is upon him (Father Coughlin) when he speaks in staggering figures of 30-million murdered."

These misstatements are easy to refute. As for the concluding part of the charge made against me by Mr. Slomovitz — a charge that was printed in a Detroit newspaper as a direct quotation from him—I am at a loss for suitable words with which to meet this accusation. I refer to his associating my name and person with that of a sadist. He said: "It takes a sadist to scoff over the misfortunes of a people who produced his Saviour . . ."

Open your dictionaries and read the definition of the word "sadist." A sadist is a sexual pervert who obtains gratification from witnessing the sufferings of others.

When this editor reminds us that his is the nation that produced our Saviour, he releases for us the flood waters from the sacred fountains of memory.

Yes, your nation produced the Christ, the same Christ Whom your ancient prophets foretold; the same Christ Who always had compassion upon the multitudes—and still has, though they be Jew or gentile—the same Christ, beloved by the people, but alas, often hated by the people's leaders.

Eminent sir, I will restrain myself although, perforce, I must remind you that this Christ, this Cornerstone of civilization, Who was once rejected by the builders of your nation, rose from the tomb in which they sealed His Corpse.

In another sense, and in our day, the great tomb of ignorance, of deception and of publicized calumny, wherein our generation is buried, is awaiting the dawn of a new Easter morning. Once more

Christ is about to move among the children of men! Even now His voice is sounding in the Ghetto of Berlin, in the Bronx of New York, in the Red Square of Moscow and on the battle-scarred fields of Spain — sounding and re-echoing the invitation to Jew and careless Christian: "Come to Me, all you that labour, and are burdened, and I will refresh you." (Matt. 11 :28).

"For centuries you have been tied to the pillar of persecution: I will release you. In every land, under every flag, you have been forced to wear a crown of thorns! Come unto Me and I will refresh you."

4. Specifically and finally, I mention Professor Johan Smerlenko. He is the executive director of the Nonsectarian Anti-Nazi League. This anti-Nazi—I do not know if he is anti-Communist—said that I was in error in stating that 56 of 59 members of a certain Soviet group were Jews.

He also said that there was no reference in any official publication of the British War Cabinet in 1919 that Kuhn, Loeb and Company had financed the Russian Revolution.

And, finally, he asserted that I misquoted "The American Hebrew" and invented the name of Lapinsky as one of the leading Jews in the Russian Revolution.

With this gentleman I shall deal last and thoroughly.

But before I dispose of these untruthful charges, permit me to prepare you for what follows by pointing out that last Sunday's discourse was divided into six main thoughts: The speech showed:

1. That unparalleled publicity was given to the recent Jewish persecution in Germany culminating in a \$400-million fine against 600,000 Jews, which publicity was a blessing because it brings the whole problem of persecution into the open;

2. That the persecution of the Jews in Germany is to be condemned because it is an injustice;

3. That there were definite causes that produced the effect known as Nazism. According to German statements the Jews were too closely interwoven with the growth of Communism in Germany; and Jews held many important positions in the Communist state of Russia, being responsible, in part, for financing the Russian Revolution;

4. That despite this charge on the part of the Nazi government, persecution is an injustice and must not be tolerated; that while we are dealing with the subject of persecution, let us of this generation liquidate all persecution—persecution by Communists of Christians as well as persecution by Nazis of Jews; (Approximately 20-million—not 30-million—Christians were done to death in Russia.)

5. That it was regrettable that the press and radio in America, in which avocations Jews have risen to such high prominence—that these were not employed to complain vigorously about the persecution of Christians in recent years;

6. That these recent years have gone; that this is our year. I emphasized that we of this age should distil our sympathy not only from the tears of Jewish sufferers but also from the blood of Christian martyrs and eliminate all persecution and the cause thereof.

These six points form a skeleton of last Sunday's broadcast which was neither unpatriotic nor un-American nor anti-Jewish, nor pro-Nazi.

Ladies and gentlemen, friends and critics, I am ably prepared to defend my position in the next half-hour.

Without fear of intelligent contradiction I shall repeat verbatim last Sunday's broadcast. The voice you will hear will be my voice. But I shall not be speaking directly to you. It will be my recorded voice.

Be it known that, previous to last Sunday, arrangements were made to have my discourse recorded as I spoke. An exact recording of every word and syllable, every cough, every rustle of the paper from which I read—all was recorded electrically at Steinway Hall, New York City, while I was speaking. There is not the slightest opportunity to change that record. This is the new invention which I hereby make use of to confound the critics who attempted to put untruthful words in my mouth and malicious motives in my mind, when as a matter of record, I was simply inviting the good Jews and the good gentiles of America to stand fast together against Communism from which Naziism was born.

Ladies and gentlemen, judge and jury, the next voice you will hear will be the recorded voice—not the direct voice—of last Sunday's announcer, Mr. Franklin Mitchell. At the conclusion of his introduction, my recorded voice will be heard. In the meantime, I,

the defendant, shall be seated here in my chair listening to myself delivering last Sunday's broadcast, upon which depends your verdict.

As you weigh well the words and the tenor of the transcribed speech, please bear in mind that on the basis of last Sunday's discourse I was accused of being un-American, a defender of Naziism, a sadist and an anti-Semite. Bear in mind that I am accused of saying Stalin and Lenin are Jews; that 30-million Christians were murdered by Communists.

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## TRANSCRIPTION

(See address of November 20, 1938 entitled "Persecution — Jewish and Christian.")

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## FOLLOWING THE TRANSCRIPTION

Ladies and gentlemen, that is the end of the transcription which brought you my recorded voice. Speaking to you directly through the microphone, I now address you, the judge and jury.

But before the presentation of my case is completed, let me offer rebuttal to the charges issued by Professor Smertenko — the spokesman for station WMCA of New York City. Briefly, this professional anti-Nazi called into question my statement relative to the Kuhn, Loeb contribution to the Russian Revolution; he discounted my reference to "The American Hebrew Magazine"; and maintains that there was exaggeration in my use of the list of atheistic Jews participating in the Russian Revolution; and, finally, he discredits the name, Lapinsky, which I mentioned in last Sunday's address.

It is regrettable that I am forced to read into the record a part of a closely guarded, certified document. I trusted that I should be spared doing this in order to avoid personalities.

However, since I am forced to defend myself, not for myself, but for the cause I uphold, let me introduce into court as my witness the scholarly Professor Denis Fahey.

Professor Denis Fahey—one of the most outstanding scholars in Ireland—an honor graduate in arts, philosophy, divinity, economics and sociology is a professor of philosophy at Blackrock Seminary, Dublin, Ireland. He says on page 88 in "The Mystical Body of Christ in the Modern World:"

"The chief document, treating of the financing of the Russian Revolution, is the one drawn up by the American Secret Service and transmitted by the French High Commissioner to his Government. It was published by the 'Documentation Catholique' of Paris on March 6th, 1920, and preceded by the following remarks: 'The authenticity of this document is guaranteed to us. With regard to the exactness of the information it contains, the American Secret Service takes responsibility.'"

In appendix 1, page 291 of Fahey's work, you may read the complete story of the suppression of the original British "White Paper." Only a few of the original copies are extant.

#### Section I:

"In February, 1916, it was first discovered that a revolution was being fomented in Russia. It was found out that the following persons as well as the banking-house mentioned were engaged in this work of destruction:

"Jacob Schiff (Jew); Guggenheim (Jew); Max Breitung (Jew); Kuhn, Loeb & Co. (Jewish Banking-house), of which the following are the directors: Jacob Schiff, Felix Warburg, Otto Kahn, Mortimer Schiff, S. H. Hanauer (all Jews).

"There can be no doubt that the Russian Revolution which broke out a year after the information given above had been received, was launched and fomented by distinctively Jewish influences.

"As a matter of fact, in April, 1917, Jacob Schiff made a public declaration that it was thanks to his financial help that the Russian Revolution had succeeded."

Section II of the official report reads: "'In the spring of 1917, Jacob Schiff began to supply funds to Trotsky (Jew) to bring about the social revolution in Russia.'"

Ladies and gentlemen, bear in mind that Dr. Fahey is quoting the report of the American Secret Service and other material. He has made available for all the world to read what was restricted only to the few some years ago.

On page 90 of the same book, Father Fahey brings out the point in Section III of the American Secret Service Report which was transmitted by the French High Commissioner to his government that the real name of Lapinsky is Loewensohn and that 56 out of 59 members of this quasi-cabinet were Jews. Moreover, the Jewish Soviet paper, "Moment," and the "Soviet Official Year Book" give the German-Jewish names of the 59 commissars.

Thus, ladies and gentlemen, I submit evidence which cannot be gainsaid easily by Professor Smertenko, the professional anti-Nazi whose source of information is an expurgated edition of the British "White Paper"—an edition from which the parts which I quoted to you were deleted, as every honest student of history knows.

Unfortunately, Dr. Smertenko is opposed publicly only to Nazism. Fortunately, Dr. Fahey is opposed to both Nazism and Communism.

As for the quotation I used last Sunday from "The American Hebrew Magazine," I still stand by it. Any child can verify it in any well organized library.

My appeal is nearly completed. In review may I submit that the plaintiffs in the case are my critics. Their charges are that I have been guilty of un-Americanism; that I have been a supporter of Nazism; that I have been a spreader of anti-Semitism; and that I am guilty of sadism.

As witnesses to sustain these charges, these critics solicited the testimony of outstanding rabbis, of eminent editors and of a sympathetic press.

Before the court of public opinion they went, following last Sunday's broadcast. They based their testimony upon the address to which you have just listened. I was un-American, so it is inferred, because I attempted to stir up the sympathies of a caloused world in behalf of Christians. I was guilty of Nazism, so one is led to believe, because I maintained that Nazism, although an injustice, was a defense mechanism against Communism. I was anti-Semitic, I suppose, because I mildly castigated atheistic Jews, the haters of religion. And, finally, I was addicted to sadism because one witness, without foundation, maintained that I gloried in the persecutions meted out to the Jews in Germany.

False witnesses swore once before in Pilate's hall!



Appreciating that the majority of Americans had not heard last Sunday's discourse, these witnesses heralded abroad the charge that I named Stalin and Lenin as Jews; you know that I did not make such statements. They scoffed at me for having broadcast that 30-million Christians had been murdered when your own ears told you I said 20-million in one place and 25-million for all the world.

Before you I stand as the defendant. I rest my case on the internal evidence of the faithful recording of last Sunday's address. I ask you to weigh the evidence carefully.

Was that the most un-American speech you ever heard?

Was it a pack of lies, as one prominent Rabbi maintained?

Am I a supporter of Naziism, which charge was printed by "The Detroit Times?"

If it is un-American to bestir sympathy for persecuted Christians, then I must plead guilty.

If I am an advocate of Naziism when I decry both Communism and Naziism, then I plead guilty.

And if I have no argument to offer you to disprove that I am a sadist, then I must humbly bow before the charge and rest my case before the kindly tribunal of this audience.

Ladies and gentlemen, I await your decision — and so does America. Whoever you are, wherever you are, let charity be your counsel.

There is no Jewish question in America. Please God, may there never be one. However, there is a question of Communism in America.

Please God we will solve it. If Jews persist in supporting Communism directly or indirectly, that will be regrettable. By their failure to use the press, the radio and the banking house, where they stand so prominently, to fight Communism as vigorously as they fight Naziism, the Jews invite the charge of being supporters of Communism.

For, as Christ said, "you are either with Me or against Me."

In conclusion, may I refer to the American Jewish Congress held in New York last October. Speaking of this group representing the Jews of the United States of America, particularly, "The New York Times" of October 31st, in its story of the opening session says:

"The mention of Communism threw the convention into an uproar when delegates and visitors attempted to shout down Abraham Levin, a St. Louis, Mo., delegate, who demanded that a proposed declaration of the convention's principle be amended to include a denunciation of Communistic theories. After heated discussion Mr. Levin withdrew his demand."

There is evidence that Jewry is silent on Communism and is reluctant to oppose it. There is the question of so-called anti-Semitism which is really anti-Communism.

N. B. This is the manuscript as prepared but for lack of time it was impossible for Father Coughlin to deliver the whole discourse over the air. What he delivered over the air is on the record.

*"Our Father, Who art in heaven."*

Almighty God! We who pronounce the sacred name of Father—we who glory in it—mock Thee if we do not accept as brothers every human creature fashioned by Thy hand.

Behold us in our misery! Brothers though we are, our sinful deeds proclaim that we are enemies.

With a rivalry that exceeds that of the beasts of the jungle, we seek to destroy each other.

Instead of gifts to the afflicted in distant lands, our ships carry cargoes of death.

Instead of peace, we plan for war.

Maginot lines, fortifications, bayonets and bombs—these we extend in our right hand of fellowship to those whom we will not accept as brothers.

Threats, insults and vituperations—these fierceful manifestations of hate we have exchanged for words of peace, of justice and of love. O God, cleanse our lips, hypocritical lips which speak the words, "Our Father."

Once more, deign to teach us that fatherhood in God means brotherhood in man.

Once more instil in our hearts the fear of chastisement, if we persist in the blasphemy of uttering the Lord's Prayer which calls Thee Father, while we insist upon treating our fellowmen as if they were enemies.

*"Our Father, Who art in heaven, hallowed be Thy name."*

Yes, hallowed be Thy name!

Too long have we been sounding the praises of men of blood—men who have marshaled the youth of every nation for death. Too long have we been honoring the names of those who have been memorable as trumpeteers for war.

Too long have we been loud in our praise for those who preach the gospel of hate, of lust, of worldliness and of self.

Thy name and Thy name alone must be hallowed; for Thy

name signifies power that is illimitable; love that is unmeasured; beauty that is incomparable; justice that is infinite and goodness that is unbounded.

*"Thy kingdom come."*

O God, grant that the tears of this world will be turned into pearls!

God grant that needless poverty shall be banished!

God grant that needless heartaches shall vanish!

God grant that needless suffering shall cease!

God grant that Thy kingdom soon will come!

O, we have lived to see the day when the royal King Whom Thou didst send to rule us hast been torn from the throne of justice and love.

We have witnessed mad usurpers wielding scepters—scepters of terror before which cringe millions of Thy sons awaiting the lash of persecution in a new dungeon.

O God, grant that foolish men will unite to rebel against this fierce tyranny of hate and injustice!

O God, grant that as brothers, solidly united, we will restore Thy Son to His rightful throne!

May His scepter of love and justice rule every nation, rule every department of life—our homes, our factories and fields, our industries and commerce, our government itself!

*"Thy will be done on earth as it is in heaven."*

Today, O God, we mourn as we reflect upon the once glorious capitals of Europe run red with the blood of martyrs.

Today, O God, we are sad because our legislators have written laws reflecting the minds of materialists, laws that blot out the laws of God!

And today, O God, we repent because "Thy will be done" has not been our policy. We repent because we have substituted the sickly candle of our flickering reason for the noon-day shining of Thine infinite intelligence!

Give us power, give us courage—courage even unto death, O God, to marshal our forces to battle for Thy Will; for, without it, man's arrogant will leads but to the grave, to dissolution and to death!

*"Give us this day our daily bread."*

O God, our Father, Whose loving heart has called into bloom the grains of the field and the fruits of the trees!

Thou, our Benefactor, Who didst share with some of Thy sons Thy wisdom, enabling them to discover for us the secrets of nature to the end that their inventions would lift the burdens from the shoulders of men!

O God, Who through Thy children hast multiplied machinery and multiplied wealth!

O God, Who once didst say that "the earth is the Lord's and the fulness thereof," we plead with Thee once again to perform the miracle of the loaves and the fishes!

Give bread to the hungry, clothing to the naked and shelter to the homeless in this land of plenty.

And more than that, O God, not only for the daily bread by which our bodies live, do we ask! Give us this day our daily bread that our minds may know the truth.

Give us this day our daily bread that our hearts may know the sweet emotions of a brother's love.

Give us this day our daily bread which will enlighten the souls of all Thy children to seek first Thy kingdom and Thy justice, whence all good things flow.

O bread and truth and love—these have been denied us!

Wicked men have conspired against Thee and Thy Christ and His brothers.

Cruel men have builded for us a golden calf to worship.

*"Forgive us our trespasses as we forgive those who trespass against us."*

O God, no one realizes better than dost Thou the enormity of our sins!

We have turned our face from Thee, the Light Supernal.

We have praised what Thou didst condemn.

We have practised what Thou didst forbid.

We have worshipped in the temple of the thief, Barabbas, trading love for hatred, faith for reason and, for the throne which

Thou hast prepared for us in Thy mansion above, a sinful worldliness.

About us thunder recriminations, charges and heated words of anger.

About us factories that should be busied manufacturing the productive good things of this life are busied fashioning ammunition, battleships, shrapnel and lethal gas.

On every hand is heard the whirr of persecution's lash.

Upon every shoulder are raised the welts of suffering. O God, we have learned at last that persecution can not be destroyed by persecution, that security can not be achieved by unjust wars or unjust treaties!

God, let us learn to forgive and be forgiven, to be kind, gentle, humble and repentant.

*"And lead us not into temptation but deliver us from evil. Amen."*

Thus, O God, in these days when the spirit of Thy sons is tempted to raise on high the sword of anger, let us remember that they who use the sword shall perish by it!

O lead us not into the temptation of revenge!

O deliver us from evil of selling our birthright for a mess of commercial pottage!

From these things, O God, deliver us!

From hate and lust, O God, deliver us!

From pride and self, O God, deliver us!

From false prophets, false leaders and false philosophy, O God, deliver us!

*"Our Father Who art in heaven, hallowed be Thy name; Thy kingdom come, Thy will be done on earth as it is in heaven. Give us this day our daily bread and forgive us our trespasses as we forgive those who trespass against us and lead us not into temptation, but deliver us from evil. Amen!"*



# Not Anti-Semitism but Anti-Communism

*Sunday, December 4, 1938*

Two weeks ago the minds of our American citizens were focused upon the latest outburst of Nazi persecution directed against the Jews of Germany. Every newspaper heralded abroad the news of a \$400-million fine imposed upon 600,000 German Jews by a government which already had restricted the liberties of Catholic and Protestant and Jew—a government which, thanks be to God, had not resorted officially to the guillotine, the machine gun or the kerosene-drenched pit.

This was the first time our apathetic generation was aroused to the cries of distress which were sounding upon heedless ears since 1917.

This magnificent publicity was regarded as a rainbow of hope which filtered through the dark clouds of despair. Recognizing it as such, I seized the opportunity to raise my voice not only in condemnation of this latest manifestation of persecution—but to amalgamate the forces of a sympathetic world against all persecution be it that of Catholic or Protestant, Jew or gentile.

Surely, thought I, these barbaric outbursts against race or creed must be traceable to some common origin. Surely a chastened world, must be willing to sacrifice its selfish racial and nationalistic objectives to militate against the common cause of all the afflictions experienced by all our fellowmen resident abroad.

Without attempting to minimize the atrocities of Naziism, I drew to the attention of this audience the excesses of Communism. I insisted that Naziism was only a defense mechanism against Communism.

To an intelligent audience, composed of intelligent Christians and intelligent Jews, I appealed. "Let us distil our sympathies not only from the tears of the oppressed Jews but also from the life-blood of 20-million Christians."

That was my prayer.

"Let us attack Communism and destroy it from the face of the earth, if we are scientific in our approach to the whole problem of persecution; for causes must be removed before effects can be destroyed."

That was my counsel.

For having made this appeal; for having suggested this counsel; for having pointed out that atheistic Jews were too prominent in furthering the cause of Lenin and Trotsky with its religion of atheism, its patriotism of internationalism and its security of confiscation, I was most unexpectedly assailed by those who characterized my address as a defense of Naziism and an expression of anti-Semitism. Of these misunderstandings I tried to dispose last Sunday when I produced the previous Sunday's broadcast by transcription. Unfortunately, however, those who seemingly reject both my pleas and my counsels and whose official, organized silence towards Communism manifests a most alarming situation—unfortunately, they have not seen fit to meet my challenge of distilling their sympathy both from the tears of Jews and the blood of Christians. Instead they have intentionally dodged the issue by endeavoring to confuse the public mind, particularly through the use of managed editorials and mis-managed interviews. For emphasis, let me repeat that the controlled press has failed to face the issue which I presented.

Would not a dispassionate judge be inclined, then, to conclude that the effort on the part of my critics to assail my person and scoff at my presentation of facts—would he not conclude that this is related to their desire to protect Communism?

My friends, there would be no warrant for my continuing to occupy your attention with further argumentation on this subject had the press inaugurated an honest effort to arouse sympathy against the atrocities of Communism as well as against the injustices of Naziism.

But the press has failed.

Therefore, in loyalty to my fellow Christians, I, in turn, am challenged to pursue my course.

Permit me, first, to restate the underlying principle which is associated with persecution. To remove all persecution from the world—persecution both of Jew and Christian—it is necessary first to consolidate the fair-minded support of all fair-minded citizens—Jew and gentile. To organize successfully public opin-

ion against not only Naziism, which no sensible American Christian can logically support, but also against Communism, which no religious Jew can honestly sustain, we must have as our objective social justice for all—social justice whose principles are founded upon the teachings of Jesus Christ.

It appears that those who are content to go only half way in this program; that those who are reluctant to attack atheistic Communism—it appears that at present they are concerned with an attempt to stultify the statements I made about Communism, by dismissing them with generic denunciations.

Since this is the weapon which they choose, I am constrained to continue my battle. I must lift up the shield of defense against false assertions. I must use the sword of factual truth to oppose them, lest my silence be interpreted as surrender; and lest such a surrender be regarded as a victory for the anti-Nazis over those whose battle cry is "Anti-Nazi and anti-Communist and anti-injustice, with Christ over all!"

Therefore, this afternoon, I will pursue my case by considering the arguments presented by my critics last week to sustain their untenable position of silence regarding Christian persecution. My opponents' arguments are classified:

1. In the editorials of certain newspapers;
2. In the arguments of Alexander Kerensky and Leon Trotsky;
3. In the publicized statement made by Kuhn, Loeb and Company;
4. In the statement attributed to the office of the American Secret Service.

As to the newspapers and their adverse editorials of the past week, do you recollect the complaint which I uttered two Sundays ago?

On that occasion I expressed the thought that when millions of Christians in Russia, Mexico and Spain were made targets of the machine gun, little or no publicity was given by the public press to these persecutions which future generations will regard as the worst atrocities of all times. Then there was a silent press. Then there was a venal press that eulogized those responsible for establishing a policy of recognizing Russia. Then there was a calloused press that belittled the grief of Spain and Mexico.

Although many newspapers have not taken a position of "hands

off the Communist question" and "hands off those whose silence supports it," yet a powerful group of papers practically have adopted that attitude. They gloss over our recognition of Russia. They applaud when congratulations are cabled to the haters of Christ. They vacillate between the Spanish loyalists and rebels. They praise the liberalism of Mexico.

And why? You ask me "Why?"

"Do men gather grapes of thorns or figs of thistles?" (Matt. 7:16) or "Can the fig tree, my brethren, bear grapes; or the vine figs?" (Jas. 3:12).

It is not in a spirit of retaliation that I remind you of these things; for you know that the editorial content of many papers is colored by the logic of the advertising dollar—the advertising dollar which manages editorials. Nor is it in a spirit of revenge that I use the following concrete example to prove the viciousness of an inspired press whose editorials and news articles manifest a serious lack of responsibility and honesty. But in a spirit of truth and of courage to defend truth, I dare to unfold for you the following concrete story of a typical controlled newspaper—a story where those, or their representatives, who control the advertising dollar, control the freedom of the press.

Last week Rabbi Leo M. Franklin of Temple Beth El, Detroit, Michigan, sought an interview with Mr. Henry Ford to discuss with him, among other things, the possibility of the Ford organization's engaging the services of certain refugee Jews whom the Rabbi expected to be expelled from Germany.

In the presence of Mr. Ford and his executives, this matter was discussed at some length. A resume of Mr. Ford's conversation was written by the Rabbi. Confessedly, it was the Rabbi's composition—not Mr. Ford's. It was the Rabbi's concept of not what Mr. Ford actually said but what Rabbi Franklin would prefer he had said.

Following this meeting, "The Detroit Free Press" printed a purported first person interview with Mr. Henry Ford. It was captioned by front-page headlines which read:

"Ford Assails Nazis' Persecutions and Welcomes Jewish Refugees as Valuable Addition to U. S. Life.

"In a statement severely critical of the Nazi persecution of the Jews, Henry Ford Wednesday night declared that he favored the admission of persecuted Jews to this country under the selective quota system."



The purported interview quoting Mr. Ford and carried in all the newspapers at home and abroad—this purported interview quoting Mr. Ford, in the first person singular throughout—was not given by Mr. Ford. The interview which "The Detroit Free Press" said was given out at Dearborn, Michigan, on Wednesday of last week was not given out by Mr. Ford or by any of his executives on Wednesday night or at any other time. Here, my friends, was a gigantic attempt to put into the mouth of America's foremost manufacturer words he did not say. To my mind, a new low in editorial responsibility—a mark seldom equalled in the history of American journalism—was attained.

"Social Justice Magazine," distrustful of the purported interview carried in "The Detroit Free Press" of December 1st relative to Nazi persecution, sent its investigators to ascertain the facts of the case.

Mr. Harry Bennett, speaking officially for the Ford Motor Company and in the presence of Mr. Henry Ford—the same Harry Bennett who arranged the meeting between Rabbi Franklin and Mr. Ford—permits ("Social Justice Magazine") us to say the following in a signed statement:

"1. The direct quotation carried in the paper is totally inaccurate and was not written by Mr. Ford but was composed by Rabbi Franklin.

"2. Rabbi Franklin came to see Mr. Ford to ask him if his factory would assimilate Jewish refugees, the result of Nazi persecution. Mr. Ford said that he believed there was little or no persecution in Germany; if any, it was due not to the German Government, but to the war-mongers, the international bankers.

"Moreover, while Mr. Ford expressed his humanitarianism for all people, yet he believed that Jews wouldn't be content to work in factories.

"That was the essence of the talk between Mr. Ford and Rabbi Franklin. But the story handed to "The Detroit Free Press" was written by Rabbi Franklin and handed to it by Rabbi Franklin and not by Mr. Ford."

Ladies and gentlemen, the above quotation from an article which will appear in "Social Justice Magazine," on this travesty in journalism, is authentic.

There is a sample of inspired news which a controlled newspaper dispensed for public reading, as if it were, a direct statement composed by Mr. Ford himself. For what purpose, I ask?

Possibly for the same purpose and subject to the same influences as when some newspapers find it profitable to adopt the policy of silence on Christian persecution abroad, they are willing to headline the \$400-million fine levied against 600,000 Jews day after day.

By their fruits these news journals shall be known.

However, after the deluge of last week's editorial tidal wave, whose origin we now know, I was expected to feel pretty much as Mark Twain did—Mark Twain who related in his memoirs an experience which he had as an editor in Virginia City, Nevada. As well as I recollect, the humorist said: "Seated in my editor's chair one day, I was confronted by the gargantuan figure of a man I had abused in an editorial a few days before. He glowered at me. I knew I was in for it. But, as always, my native resourcefulness pulled me through. As the giant advanced on me, I stood up. He charged. Cleverly, I contrived to get his arm around my waist and his elbow under my chin. We wrestled about for a moment, and I succeeded in keeping my feet high in the air. We fell to the floor. Again my resourcefulness asserted itself. For, by a deft movement, I got his knee in my stomach and his fingers tight about my throat. Then I had him."

Next, permit me to analyze and refute the statements publicized by Mr. Kerensky and Mr. Trotsky.

Alexander Kerensky—one of the chief witnesses whose testimony is supposed to stultify my plea to oppose Communism together with Naziism—a witness whose contribution was intended to confuse the public mind, is not well known to the younger generation.

Mr. Kerensky was prominent for a period of seven months in 1917. He was the leader of the first of three Russian revolutions. Most men of our generation believed that he had gone to the happy hunting ground of lost causes.

Pre-supposing that the American public has forgotten the three Russian revolutions since 1917; pre-supposing that the public mind entertains the error that there was only one Russian revolution since that date, Mr. Kerensky arises from the tomb of the past to remind us that he fathered "the" revolution when, as a matter of fact, it was merely "a" revolution—a revolution which, for shortness of life and insignificance of effect, will be classified with the frequent uprisings which come and go with every sunset in Central America.



As a matter of record, Mr. Kerensky's revolution came in like a lion in the windy month of March, 1917, and left the stage of this troubled world like a lamb in October of that same year. Contrary to common opinion, Mr. Kerensky did not successfully annihilate Czarism. As a matter of fact, it was the guns and bayonets of the Trotskyites and Leninites that accomplished that in July, 1918—they of the second revolution, which succeeded in overthrowing the Kerensky government.

The first revolution was devoid of atheistic Jewish domination and for that reason, possibly, was a failure. It lasted only seven months.

But the second Russian revolution which, for the sake of clarity we now refer to as the Trotsky Russian revolution, not only drove Alexander Kerensky as a wanderer over the face of the earth; not only murdered the Czar and his family in 1918, but inaugurated the mass murder of 20,400,000 Christians. That was the real Russian revolution with its dictator; its subjugation of 160-million people; its pogroms against Christians; its professed atheism and its advertised internationalism.

Kerensky, the father of the first assault against the injustices of Czarism, practically vanished from the headlines in 1917. But on this, the occasion of his re-appearance, I welcome the opportunity to agree with him heartily that the Jews had only an insignificant part in his failure. I agree with him that after he fled Russia ignominiously with the coming of the Lenins and Trotskys in October, 1917—I agree with him wholeheartedly that the Jews who were successful in establishing Communism over the still-born corpse of his socialistic effort—that these were apostate Jews, as he calls them, or atheistic Jews, as I term them.

On one important point I do not agree with the testimony given by this revolutionary—a testimony which was accredited extensive space in all the important news journals of America. This witness said, according to "The Detroit News," November 30, 1938: "The suggestion is ridiculous that Jews financed *the* revolution." (He should have qualified his statement by saying "*my* revolution.")

He continues by stating that "the revolutionary government obtained credits not through any bankers, Jewish or gentile, in America, but from the United States Government." I say that, according to reputable testimony, it was financed by Jacob Schiff.

Remembering that we are discussing the first Russian revolution, which flourished only from the spring until the autumn of

1917, let me be of assistance to the failing memory of this witness by quoting "The New York Times" of March 24, 1917—a photostatic copy of which I have before me.

On that date this newspaper said: "The movement (the Kerensky revolution—Ed. Note) was financed by a New York banker you all know and love," quoting Mr. Kennan and referring to Mr. Jacob Schiff.

Following this statement, made by one of the then leading foreign correspondents, "The New York Times" informs us that a Mr. Parsons arose on the platform of Carnegie Hall and said: "I will now read a message from White Sulphur Springs sent by the gentleman to whom Mr. Kennan referred." (Mr. Jacob Schiff—Ed. Note).

A portion of the message reads as follows: "Will you say for me to those present at tonight's meeting how deeply I regret my inability to celebrate with the Friends of Russian Freedom the actual reward of what we had hoped and striven for these long years! . . . Jacob H. Schiff."

To confirm my contention that Mr. Jacob H. Schiff contributed to the activists in the Kerensky Revolution, let me quote "The Jewish Communal Register" of New York City, 1917-1918; edited and published by the Kehillah (Jewish Community) of New York City. On page 1019 it states: "Mr. Schiff has always used his wealth and his influence in the best interests of his people. He financed the enemies of autocratic Russia and used his financial influence to keep Russia from the money market of the United States."

Surely, these are reputable sources of information which I present to refute Mr. Kerensky who said, "the revolutionary government obtained credits not through any bankers, Jewish or Gentile, in America, but from the United States Government."

I am not mistaken in my previous contentions unless Mr. Jacob Schiff assumes to be identical with the American Government.

Ladies and gentlemen, the Alexander Kerensky abortive revolution was a failure, possibly because it was not managed by the revolutionary atheistic Jews, although it was financed by Mr. Jacob Schiff, the senior partner of the Kuhn, Loeb and Company.

Let us now turn our attention, momentarily, to the second Russian revolution which began in the autumn of 1917.

Mr. Leon Trotsky was one of its prime movers. He was the successful revolutionary. Now an exile in neighboring Mexico, this witness was persuaded to enter the lists against me last week—a revolutionary who, after the death of Lenin and the advent of Stalin was, in turn, forced to become a wanderer over the face of the earth.

I believe that history will support me when I state that Leon Trotsky has come to court with most unclean hands. He is the crystallization of Nero, Diocletian, Julian the Apostate, Ivan the Terrible, Cromwell and Napoleon Bonaparte—the outstanding mass murderer of time and eternity. This Leon Trotsky whose correct name is Bronstein; this most unfortunate of all possible witnesses whom my opponents could persuade to testify against me, said last week: "The name of Jacob Schiff means nothing to me—if Mr. Coughlin indicated an important sum, then it must be pure invention."

I should not dignify such—shall I say—such an unreliable witness as is this Bronstein with a rebuttal lest the ghosts of his 20-million victims should rise from their resting places to assail me.

Ladies and gentlemen, permit me to discuss the widely read statement issued last week by the banking firm of Kuhn, Loeb and Company, disavowing its connection with Russian revolutions in general and Mr. Jacob Schiff's financial association with them in particular.

This statement appeared specifically in an early edition of "The New York Times" on Tuesday, November 29, 1938 and was withdrawn from the later editions of that paper on that same day. The statement, in part, reads as follows:

"Kuhn, Loeb & Co. in a statement last night said:

"The firm of Kuhn, Loeb & Co. has never had any financial relations, or other relations, with any government in Russia, whether Czarist, Kerensky or Communist."

An additional paragraph of the same statement informs us that the late Jacob Schiff "had no relations with any fomenters of the Bolshevik uprising which destroyed the Kerensky government, being utterly out of sympathy with their methods and principles."

Ladies and gentlemen, the documents to which I referred in speaking of Mr. Alexander Kerensky are pertinent to this last contention upheld by the Kuhn, Loeb and Company last Tuesday, for Mr. Jacob Schiff was the senior partner of that firm.

When considering the Kuhn, Loeb and Company we are considering a unit of the generic abstraction so often referred to as international bankers. In every nation throughout the world the various units of this fraternity operate, shuttling gold back and forth to balance exchanges; issuing credits from nation to nation, not only for productive commercial enterprises, but also for destructive and military ends.

From the sunset which marked the passing of the glories that characterized the 13th Century, down through the welter of wars which besmirched the pages of each succeeding age, the shadow of the international banker hovered over every battlefield, cast gloom over every home and fastened the burden of debt upon every innocent babe.

Theirs is a fraternity which owes allegiance to no flag. Theirs is a patriotism which transcends the boundaries of every nation.

For them, empires and kingdoms, principalities and republics are chessboards.

With their shuttling of gold and credits, scepters fall; crowns roll in the dust and millions of pawns, victimized by purchased propaganda, are claimed by death.

Mammon is their god—the god of greedy gold. Internationalism is their religion—the religion of fettered slavery.

The Kuhn, Loeb and Company statement opens the avenues of thought which lead to such considerations; for the present members of this firm are anxious to deny any relationship to any revolution. First they should prove to a suspecting world that they have no relationship to the international bankers resident abroad.

Kuhn, Loeb and Company is an international banking firm. As such, then, I will refer to it when now considering the statement it issued as well as on future occasions, if there be further need.

Once more, then, I hereby refer to the British "White Paper" and also to documentary evidence received from the Secret Service. The existence of this "White Paper" and of the reports incorporated therein cannot be brushed aside by idle denial.

Last week I telephoned to Dr. Denis Fahey at Blackrock Seminary, Dublin, Ireland, asking him to re-inspect an original British "White Paper" from which I quoted. He assures me that an original copy is still available, safely guarded and at my disposal; that it contains not only the references which I made to it



last week, but also that he has records from which I am about to read now in connection with the assertions issued by Kuhn, Loeb and Company to the effect that "neither the firm of Kuhn, Loeb and Company nor any of its partners, past or present, assisted in any way to finance the Communist revolution in Russia or anywhere else."

Father Fahey quotes a document thus:

"If we bear in mind the fact that the Jewish Banking House of Kuhn, Loeb and Co. is in touch with the Westphalian-Rhineland Syndicate, German-Jewish House; and with the Brothers Lazare, Jewish House in Paris; and also with the Jewish House of Gunzburg of Petrograd, Tokio and Paris; if, in addition, we remark that all the above-mentioned Jewish Houses are in close correspondence with the Jewish House of Speyer & Co., of London, New York and Frankfurt-on-the-Main, as well as with 'Nya Banken,' Judaeo-Bolshevik establishment at Stockholm, it will be manifest that the Bolshevik movement is in a certain measure the expression of a general Jewish movement, and that certain Jewish banking houses are interested in the organization of this movement."

Now, permit me to elaborate on this statement, which I supported with quotations from the British "White Paper," which was re-inspected just last week for re-assurance—let me elaborate by referring to another collection of documents known as the Sisson Report. This latter collection of documents, whose authenticity is guaranteed by the National Board for Historical Service of the United States and is accepted by the United States Congress, is official.

Document No. 57 of the Sisson Report is a circular issued on November 2nd, 1914. Among other things, it says:

"Zinovieff and Lunacharsky (two Russian revolutionists who rose to prominence in the Bolshevik days—Ed. Note) got in touch with the Imperial Bank of Germany through the bankers, D. Rubenstein, Max Warburg, and Parvus. Zinovieff addressed himself to Rubenstein and Lunacharsky through Altvater to Warburg, through whom he found support in Parvus."

Here, then, the International Bankers, among them a Warburg of the same family of Warburgs associated with the Kuhn, Loeb Bank, is one of the internationalists aiding and abetting revolution.

Document No. 64 of the Sisson Report—an official document—is a letter written by J. Furstenberg to Raphael Scholan (Schaumann) on September 21, 1917. It says:

"Dear Comrade:

"The Office of the banking house M. Warburg has opened in accordance with telegram from president of Rhenish-Westphalian Syndicate an account for the undertaking of Comrade Trotsky. The attorney (agent) purchased arms and has organized their transportation and delivery up to Luleo and Varde. Name to the office of Essen & Son in Luleo, receivers, and a person authorized to receive the money demanded by Comrade Trotsky.

"J. Furstenberg."

Of course the world knows the relationship existing between M. Warburg and the banking house of Kuhn, Loeb and Company—the banking house which last week is reported to have said also that the late Jacob Schiff "had no relations with any fomenters of the Bolshevik uprising which destroyed the Kerensky government . . ."

The document from which I just quoted (Document No. 64) definitely relates to Trotsky's revolution against Kerensky—the second Russian revolution. And it definitely indicates the activities of international bankers in fomenting Communism—bankers who have intimate financial relations with the firm of Kuhn, Loeb and Co.

In quoting the Sisson Report, which deals with the German-Bolshevik conspiracy, we read in the introduction that the "Committee on Public Information publishes herewith a series of communications between the Bolsheviks themselves.

"The documents show that the present heads of the Bolshevik Government (1918)—Lenin and Trotsky and their associates—are German agents.

"They show that the Bolshevik Revolution was arranged for by the German Great General Staff, and financed by the German Imperial Bank and other German financial institutions." However, it is perplexing to find that these so-called German bankers who dominated the Government and its officials were oftentimes Jewish international bankers. Germany was their residence, but the world was their home.

Supplementing all these documents, which I have used in



refuting the charge of Mr. Kerensky and the statement issued by the Kuhn, Loeb banking firm of last week to the effect, in the first instance, that his revolution was financed not through any bankers, Jewish or gentile, in America, but through the United States Government; and, in the second instance, that "the firm of Kuhn, Loeb and Company had no financial relations, or any other relations, with any government in Russia," may I produce the evidence of another governmental document as a refutation. It is a document published by the United States Department of State in a now rare volume entitled: "Papers relating to the Foreign Relations of the United States—1917—Supplement 2—The World War—Volume 1, page 25.

"File No. 763.72119/563a.

"The Secretary of State to the Ambassador in Russia (Francis).

(Telegram)

Washington, April 16, 1917.

"1321. Please deliver following telegram: (I am quoting only the last two sentences) . . . We are confident Russian Jewry are ready for the greatest sacrifices in support of the present democratic government as the only hope for the future of Russia and all its people. American Jewry holds itself ready to cooperate with their Russian brethren in this great movement. Marshall, Morgenthau, Schiff, Strauss, Rosenwald.

"Addressee: Miliukov, Petrograd (or Baron Gunzburg). If sent to Baron Gunzburg, add: May we ask you to submit this to your government. Signed: Lansing."

Comment upon this startling document is almost unnecessary. Two names of the Kuhn, Loeb firm—Schiff and Strauss—are mentioned in this telegram by the United States Secretary of State, Robert Lansing.

But of more importance—of astounding interest—my friends, you learn from this communication that Woodrow Wilson's Secretary of State, Robert Lansing, was in this instance and in his official capacity, the Secretary of the Jewish international bankers in helping to plot revolution with its subsequent mass murder and practised atheism.

May I pause to repeat what the whole world knows—that these German financial institutions referred to in the Sisson

Report were dominated by international-minded Jews—war-mongers—who, more than any other classification of citizens in all the world, were responsible for the holocaust of 1914-1918. One could add that they not only dominated the Imperial Government of Germany, but, it appears, they had tremendous influence in our own government.

Page after page of the Overman Report, in which the Sisson Report is incorporated as a government document, displays this incontrovertible fact.

Alas, my friends, history will not only attribute the financing of the Bolshevik Revolution to this type of internationalist. History will become more eloquent day by day in proclaiming to posterity the part they played in manipulating the press and propaganda, in controlling public opinion, in bestirring racial and national animosities, and in unleashing the four horsemen of the Apocalypse to run roughshod with their devastation over the face of civilization.

Once before we fell victims to their greed for power and lust for wealth.

An awakened civilization, throbbing to the experiences of the past twenty years, must not let history repeat itself!

In passing from this point of discussion; and in face of a plenitude of evidence submitted by eminent Jews that 65 to 75 per cent of the officials of Soviet Russia are Jews who form only 2 per cent of the population, what, then, is the purpose or where is the substantiation for John W. Stanton's article which is scheduled to appear in today's issue of the Detroit News—an article which says:

"To say that the Russian revolution owes its origins to the activities of any group or foreign interests is to show only a superficial understanding of the facts underlying the forces that led to the downfall of the Romanovs and the advent of the Bolsheviks to power. . . ."

What is the purpose for making such an incorrect assertion in face of these government documents to which I have referred?

Thanks be to God that the majority of Jews—poor, humble persons like the majority of Christians—played no part in this. They, as were we, were the pawns upon the checkerboard of death and persecution. These I invite to stand with us in our battle against Communism and Naziism.

My friends, by inviting the religious Jews and religious gen-

tiles to join hands in assailing Naziism and Communism, together with the injustices which produced the latter, I shall be castigated as one who stirreth up the multitudes.

Most probably I shall be scourged at the pillar in the hall of some modern Pontius Pilate.

What of it?

I shall continue my crusade, with God's help, for the humble Jew who has been the victim of persecution down the ages, and for the humble Christian whose wails have remained inarticulate—cost what it may.

In my effort to arouse the decent elements of America to campaign against Communism as well as Naziism; in my effort to appeal to the Jewish gentlemen who have risen to such prominence in the fields of radio, press and cinema—the instruments which mold our public mind—I am characterized as being an anti-Semite—an anti-Semite because I decry atheistic Jews whom Jewry officially and consistently has not repudiated.

I am criticized for being so bold as to refer to the merchandisers of murder by name—the men who finance revolution and war.

And lastly, I am held up to public ridicule as an untrustworthy purveyor of falsehood although I have supplemented my assertions with documentary evidence which is difficult to disregard.

So be it!

May I reiterate what I emphasized last Sunday: There is no anti-Semitic question in America. There is an anti-Communist question here, and there will continue to be an anti-Communist question, veil it how you will, until we conquer or until it conquers us.

From it there is no decent retreat on the part of decent Christians and decent Americans.

Towards it there is no respectable silence on the part of respectable, organized Jews.

Thus, once more I incorporate in the record of this day's speech a story told in "The New York Times" in reporting the meeting of the American Jewish Congress held in New York last October. Speaking of this group representing the Jews of the United States of America particularly, "The New York Times" of October 31st in its story of the opening session of the American Jewish Congress said:

"The mention of Communism threw the convention into an uproar when delegates and visitors attempted to shout down Abraham Levin, a St. Louis, Mo., delegate, who demanded that a proposed declaration of the convention's principle be amended to include a denunciation of Communistic theories. After heated discussion Mr. Levin withdrew his demand."

This silence towards Communism; this refusal to condemn it officially on the part of this representative body of Jews is beyond explanation.

A reconvention of the American Jewish Congress is in order. A reconsideration of Mr. Levin's motion is also in order.

Official Jewry must condemn officially not only the theory but the practices of Communism—Communism whose policies have crimsoned the once blue rivers of Europe with the blood of 20,400,000 martyrs and which is making charnel-houses of the cathedrals of Spain.

Decent Jews—American Jews—must repudiate atheistic Jews and international Jews. By so doing they are hurling a challenge in the face of members of their own race who have disgraced their race—the Trotskys, the Zinovieffs, the Lunacharskys—men whose avowed purpose in life is to tear God from His heaven and tear patriotism from the hearts of nationalities.

To the highly intelligent Jews of America who recognize these truths, particularly, do I appeal. I humbly admit your influence in banking, press and radio. And I humbly suggest, for your own sakes and the sakes of the less informed members of your race, that you, too, will recognize that there is no anti-Semitic question in America but that there is an anti-Communist question which must be solved—a question which cannot be solved except your genius and your assets are thrown into the battle on the side of God and country.

In conclusion, I plead for impartiality in governmental decisions—an impartiality which will not only strike with all its might against the injustices of Naziism in regard to the Jew, but with equal strength will utilize its majesty in behalf of the persecuted Christians abroad—victims of Communism.

Before me I have an original document which Mr. Roosevelt caused to be sent to a group of refugee Ukrainians resident in our nation—Ukrainians whose homes were confiscated, whose lands and businesses and chattels were seized and whose relatives lie rotting in the soil either of Hungary or of the Ukraine. These

men and women and little children were the victims of Bela Kun—whose correct name is Aron Cohn—the atheist Jew, whose Communist followers wrote their crimson page of disaster a few years ago—in this enlightened age—in this “20th Century civilization” so referred to by our President.

This original, official document which Mr. Roosevelt, the President of the United States, caused to be sent to the chairman of these petitioners, reads as follows:

“Sir: The receipt is acknowledged, by reference from the White House, of your telegram of December 14, 1934, addressed to the President, urging that he intercede with the Soviet Government ‘on behalf of Ukrainians in Soviet Ukraine who are being executed without trial during the new reign of terror instituted by the Moscow Government.’ The receipt is also acknowledged of a similar telegram addressed to this Department.

“In reply, you are informed that this Government is not in a position to make representations to foreign governments with respect to conditions which do not directly affect American citizens or interests.

“Very truly yours,

“For the Secretary of State: Robert F. Kelley, Chief,

“Division of Eastern European Affairs.”

God forgive us! No intervention for Ukrainians and Hungarians, victims of Aron Cohn whose bodies now fertilize the golden wheat fields of mid-Europe. But a plenitude of intervention and publicity for the Jews, not one of whom has been officially murdered.

May the Holy Trinity infuse into the minds of our rulers a spirit of justice, of fairness both to Christian and Jew, and, if necessary, a spirit of militancy against the Communists both at home and abroad whom, up to this present moment, this government has been protecting, aiding, and abetting both by its silence, its cooperation and its criminal “good neighborliness!”

By way of introduction and before I deliver the address prepared for this afternoon, I have this following announcement to make:

Following last Sunday's discourse a local newspaper said: “It is obvious that Father Coughlin either does not know what the word ‘interview’ means, or is giving still further evidence of his congenital inability to tell the truth.”

These printed remarks were occasioned by a statement which I incorporated in last Sunday's address relative to the alleged Henry Ford-Rabbi Franklin interview—an interview which was printed locally in Detroit.

I was not present at this interview. It was reported to me in a statement signed by Mr. Harry Bennett of the Ford Motor Corporation and which I read last Sunday and which will be reproduced over Mr. Bennett's signature in SOCIAL JUSTICE magazine next week.

Because news reports printed last Monday tended to discredit the statement, I secured a second signed statement from Mr. Harry H. Bennett of the Ford Motor Corporation last Monday afternoon. It reads as follows:

“Dearborn, Michigan,

Dec. 5th, 1938

“A statement which resulted in casting reflection of an exceedingly serious nature upon the veracity of Father Coughlin, appeared in the Detroit Free Press, Monday, December 5th, 1938, based upon a statement which it was alleged I made. It labeled statements of Father Coughlin regarding Rabbi Franklin's recent visit to the Ford offices, for the purpose of getting an expression of the Jewish situation in Germany as untrue. This is to definitely state that absolutely no interview was given in response to Rabbi Franklin's request by Mr. Ford to be printed as Mr. Ford's own statement in the press, but merely agreed with certain written expressions, and the statement given by Father



Coughlin on December 4th, 1938, was an absolutely correct verbatim report of a statement having my own approval and signature.

(Signed) Harry H. Bennett.

Dec. 5, 1938."

I make this announcement to set at ease the minds of this radio audience and to let it be known that in preparing my broadcasts, I rest my assertions upon documentary evidence.

Because the newspapers and news services saw fit not to publish the photostatic copies of the two original signed statements which I handed to them last Monday afternoon following my visit to the Ford Motor Corporation, I shall have them printed in SOCIAL JUSTICE magazine next week in order to complete the record.

It is my hope that this announcement concludes a local issue as far as I am concerned.

## A Chapter on Intolerance

*Sunday, December 11, 1938*

Ladies and gentlemen, last week a representative of the Jewish Community Council of Detroit sought to obtain adequate radio facilities to be used in broadcasting an official Jewish answer to my three previous addresses.

Recognizing that this gentleman was confronted with many mechanical difficulties in obtaining a clearance of a full hour over a large group of radio stations, and upon such short notice, I conveyed to him through Mr. Leo Fitzpatrick an invitation for the General Jewish Council, a national body to which the local Jewish Council is affiliated—an invitation to use the facilities of my network on this hour and at my expense.

The General Jewish Council has declined the invitation.

However, over most of these stations and at its own expense, the General Jewish Council will address this audience some time later today.

Their spokesman, however, will not be a Jewish gentleman. He will be the Catholic attorney, Mr. Frank Hogan, of Washington, D. C.

I wish to impress upon this audience that Mr. Hogan is speaking for the General Jewish Council to which is affiliated all the local Jewish Community Councils of America. I take this opportunity to invite my audience to listen attentively to this Catholic spokesman as he pleads the case—shall I say of the Jews, or shall I say of the General Jewish Council and the local Jewish Community Council.

This attorney's address, about to be delivered under the auspices of the General Jewish Council, will be better appreciated following the discourse which I am about to deliver because I will deal pertinently with certain activities, constitutional activities, of the Jewish Community Councils which are related to the General Jewish Council.



Social Justice Magazine, distrustful of the purported Ford interview carried in the Detroit Free Press of December 1 relative to Nazi persecution, sent its investigators to ascertain the facts of the case.

Mr Harry Bennett, who arranged the meeting between Rabbi Franklin and Mr Ford, and who was present at the meeting, permits us to say the following:

1. The direct quotation carried in the paper is totally inaccurate and was not written by Mr. Ford but was composed by Rabbi Franklin.
2. Rabbi Franklin came to see Mr Ford to ask him if his factory would assimilate Jewish refugees, the result of Nazi persecution. Mr Ford said that he believed there was little or not persecution in Germany; if any, it was due not to the German Government, but to the war mongers, the international bankers.

Moreover, while Mr Ford expressed his humanitarianism for all people, yet he believed that Jews wouldn't be content to work in the factories.

That was the essence of the talk between Mr Ford and Rabbi Franklin. But the story handed to the Free Press was written by Franklin and handed to it by Franklin and not by Mr Ford.

*True copy of original given to Father Coughlin by Harry H. Bennett Dec 5 - 1938*

Dearborn Mich  
Dec. 5th, 1938.

A statement which resulted in casting reflection of an exceedingly serious nature upon the veracity of Father Coughlin, appeared in the Detroit Free Press, Monday, December 5th, 1938, based upon a statement which it was alleged I made. It labeled statements of Father Coughlin regarding Rabbi Franklin's recent visit to the Ford offices, for the purpose of getting an expression of the Jewish situation in Germany as untrue. This is to definitely state that absolutely no interview was given in response to Rabbi Franklin's request by Mr Ford to be printed as Mr Ford's own statement in the press, but merely agreed with certain written expressions, and the statement given by Father Coughlin on December 4th, 1938, was an absolutely correct verbatim report of a statement having my own approval and signature.

*Harry H. Bennett  
Dec 5 1938*



My friends, it is appropriate for me to re-express the thoughts which were woven in bold colors throughout the last three discourses. They are these: I hold no animosity towards the Jews. I distinguish most carefully between good Jews and bad Jews as well as I do between the good gentiles and bad gentiles.

I sincerely sympathize with the millions of humble, religious Jews both in America and elsewhere who have been persecuted by a thoughtless world—a world which does not always distinguish between the good Jews and the bad Jews; a world which lashes at the pillar of persecution the innocent Jews for the misdemeanors of the guilty Jews.

Openly and fearlessly do I admit that my main contention is with the atheistic Jew and gentile; the communistic Jew and gentile who have been responsible and will continue to be responsible, in great part, both for the discriminations and the persecutions inflicted upon the Jews as a body.

To prevent happening in America what has happened elsewhere, and to end once and for all the hostility of German Naziism towards Jews, I asked my fellow citizens not only to oppose Naziism, an effect of Communism, but to fight manfully against Communism itself.

I further appealed to them to apply the basic principle of science in their common effort to destroy persecution—the basic principle which teaches us that, in order to remove effects permanently, the causes which produce them must be removed first.

And finally, I reminded both Jew and gentile that ours is not a problem of anti-Semitism; ours is a problem of anti-Communism.

Thus, the issue is clear. The Jews of America cannot afford to be identified with Communism or with communistic activities. They are asked to disassociate themselves from the atheistic Jews who espouse Communism.

Therefore, every person worthy of the name of Christian stands prepared to oppose the excesses of Naziism; stands prepared to extend the right hand of sympathy towards the persecuted Jews in Germany.

But every intelligent American Christian whose heart bleeds for his 20-million fellow Christians who were butchered by the Trotskys and the Bela Kuns, the Bronsteins and the Cohns, in Soviet Russia, in the Ukraine, in Hungary and elsewhere—these American Christians appeal to the Jews of America to join with

them in removing Communism, the cause of Naziism. They appeal particularly to the eminent sons of Jewry who have risen so high in government, in journalism, in banking, in broadcasting and in motion pictures, to launch an effective, determined campaign against the Red menace which has baptized the hillsides and valleys of Europe with the blood of 20-million Christian martyrs.

The best answer that Jewry can give me or America is not a passionate denial that Jews, far beyond their proportion of population, are not interested in furthering Communism. Official action will speak more eloquently than ten thousand denials.

In asking the gentiles of America to oppose the gentiles of the Nazi party in Germany, Jews are not seeking anything that is unreasonable.

On the other hand, when the gentiles of America ask the Jews in this country to oppose the Jews in Russia, in Spain and elsewhere, who are supporting Communism to our detriment and to the detriment of the Christians living abroad, we are asking nothing unreasonable.

There comes a time in the life of every individual as well as in the life of every nation when righteousness and justice must take precedence over the bonds of race and blood.

Tolerance, then, becomes a heinous vice when it tolerates the theology of atheism, the patriotism of internationalism and the justice of religious persecution. No matter, then, what ties of blood and common parentage bind the God-fearing Jews in New York with the atheistic Jews in Moscow, those ties must be severed for God, for country and for the preservation of the teeming masses of Jews in America who have been victimized by the silence of their leaders and the propaganda of the press.

Everyone recognizes that Soviet Russia has made anti-Semitism a crime.

The entire world recognizes that Soviet Russia has made pro-Christianity, pro-theism and pro-religion likewise crimes.

Everyone recognizes the predominance of atheistic Jews in the pattern of Russian Communism. Evidence is so overwhelming to substantiate this statement that it is idle for any informed person to attempt disputing it.

On this point let me quote for you from an article by James E. Abbe which appeared in "The New Outlook" in February, 1934. It says:

"Comrade Smirdovitch ("Red Pope"). Smirdovitch an atheist,

is the official restrainer and regulator of religion in the U. S. S. R. He is a member of the important Central Executive Committee. As the official Anti-Christ of the Soviet Republics, he decides how far the remaining priests of the church may go toward preaching the word of God. Kindly, cultured, educated, tolerant in manner, Smirdovitch says religion will die out when divorced from superstitious ritual, pomp, and fear. His job is to help kill it. . . .

"Men of the Red Army sing as they march . . . Over a million of these sons are under arms in Russia today, and millions are in reserve. More millions are being born than starve. He, or those, who control the Red Army control Russia. A force to be reckoned with.

"But the men who control Russia are not Russians. They are not Slavs. Stalin is a Georgian, a different race. Kaganovitch is a Jew. Litvinov is a Jew. Karakhan, Armenian. Smirdovitch, who controls and destroys religion, is a Jew. Ordjonikidze is a Georgian. Kurtz is Austrian. Karl Radek, a Jew. Men in business for Russia in strategic positions—buyers and traders—are rarely ever Russian. Members of the Jewish race from all over the world predominate. Every member of the foreign office press censor bureau is a Jew. Little men of Russia who help in responsible positions, heads of offices, trusts, are mostly Jews."

Further unfortunate evidence of atheistic Jews dominating the destinies of Communists in Hungary is also presented. From an official government document which I have before me, and a picture of which will be reproduced in SOCIAL JUSTICE magazine, we learn of the close relationship existing between atheistic Jews and Communism. In Hungary, under the atheistic Jew, Bela Kun (Aron Cohn) apostate Jews dominated Communism with its mass murder of more than 20-thousand Christians in a period of 130 days of horror. Out of 11 department heads in the Hungarian Communist Cabinet 9 were Jews; out of 30 total members there were 20 Jews; and the Departments of the Interior, Finance, Education, Foreign Relations, War, Food and Supplies, were one hundred per cent manned by Jews.

I refer to these records for one purpose only; for it is my desire as a non-Jew to tell you, my fellow Jewish citizens, the truth; to inform you what thoughts millions of persons are entertaining. In Europe particularly, Jews in great numbers have been identified with the Communist movement, with Communist slaughter and Christian persecution.

But which one of you will uphold the activities of these men—these Lunacharskys and Bela Kuns and Trotskys?

None of you religious Jews who love your God.

None of you intelligent Jews whose minds are too well developed to be captivated by the false philosophy of tolerance—tolerance towards atheism, tolerance towards mass murder, tolerance towards the progenitor of Naziism.

The hour has struck when neither Jew nor gentile in America can afford to be associated with Communism even through the medium of silence. I am giving voice to a sentiment which is expressed in millions of homes and in thousands of gatherings. Thus, for his collective safety, the American Jew must repudiate the atheistic Jew. Communism must be stamped out, else an illogical world will build up a defense mechanism against it in these United States paralleling, if not surpassing, the same illogical defense mechanism which operates under Naziism.

Ladies and gentlemen, there are millions of innocent Americans who do not grasp the essential meaning of Communism. They are inclined to believe that only he is a Communist who carries in his pocket a card proving that he has paid his dues to some Communist organization.

A card does not make a man a Communist any more than a baptismal certificate makes a man a saint.

The thoughts which a man entertains; the policies which he pursues—these are the internal causes which generate Communists. And these causes are reduced in their final crystallization to the one word "atheism" and all it implies.

Show me a man who disbelieves in God and, particularly, who opposes the dissemination of knowledge concerning God, and I will show you an embryonic Communist—one who, if he is logical, will soon stand beside Lunacharsky and Smirdovitch and their cohorts, determined to rid this world of all religion and supplant it with the doctrines of the Soviet.

Show me a man whose policies completely ostracize God from our public institutions, and I will show you a person who, indirectly, is working hand in glove with the Bela Kuns, the Trotskys, the Stalins and the Lenins.

Any policy which pursues the course of secularizing our homes, our government, our public institutions, is a policy which logically leads to the adoption of the principles of Communism with its resultant mass murder and economic chaos.



On this point, my friends, do not be confused.

Towards this godlessness which is imposed upon us through the so-called secularization of our public institutions, entertain no tolerance—any more than you would be tolerant towards a rattlesnake; for it is an insidious serpent which sooner or later will sting you to death if you caress it against your bosom.

Having clarified that point—a point which is not disputed by any Christian or by any religious, God-fearing Jew—permit me to speak of its application in America; permit me to refer to the General Jewish Council and the local Jewish Community Councils.

At the outset, I graciously admit the contributions towards religion and culture accredited to Jews. I am not ignorant of the poems of David. I am no stranger to the saga lived by Moses and his contemporaries. Many precious hours have I spent in the companionship of the prophets of Israel.

However, when the house of our civilization is wrapped in the lurid flames of destruction, this is not the time for idle eulogizing. When the house is on fire its tenants are not apt to gather in the drawing-room to be thrilled by its paintings, enraptured by its sculpture, its poetry, its tomes of music or its encyclopedia of science which are there on exhibit.

When the house is on fire, as is the house of our civilization today, we dispense with gratifying our vanities and call in the fire department to save our possessions lest they be lost in the general conflagration.

All about us the angry flames of Communism, of godlessness, are devouring not only the contributions which Jewry has made to our generation, but also the benedictions which our gentile ancestors have contributed towards our well-being. Behold, Russia is a shambles. China is a battlefield. France is a social chaos. Spain is a slaughterhouse. Mexico is spiritual volcano and even our own United States is beclouded with a crimson smoke which chokes our progress.

We are concerned, then, with extinguishing this fire before it consumes our inheritance and before its flames of hatred enfold themselves around the millions of innocent Jews and gentiles in a holocaust of persecution.

American Jewry is also concerned with the welfare of the 3-million Jews resident in Russia—3-million who, according to every valid report, now occupy many major places of prominence

in the Soviet government far beyond the proportion of their population.

Well may American Jewry be concerned; for soon the pendulum of time will swing; soon the 160-million Russians whose parents and relatives were massacred by the Trotskys and Lenins and Bela Kuns—soon they will break the shackles which bind them to poverty, to exploitation and to slavery.

What new chapter, then, will history write? God only knows!

But this is certain: Russian Jewry will not be dealing with a Christian people because the leaders of Communism have robbed the Russian Christians of the doctrine of charity — Christ's doctrine. The Lunacharskys, the Litvinoffs and the Commissars of the Kremlin have outlawed the Sermon on the Mount and pilloried to death the doctrine of brotherhood.

Today Stalin stands with his back against the wall, confronted by 160-million de-Christianized Russians who have been subjected to the preachments of hate, the gospel of blood and the policy of revenge.

That is unfortunate!

But blame not the forthcoming uprising in Russia upon Christians whose churches have been closed and whose religion has been outlawed.

Young Russia, new Russia, will be a barbaric Russia. The uprising of these gentile barbarians—formed and fashioned as such by Smirnovitch and Lunacharsky, the haters of God and of man—that uprising against these Jewish masters will be disastrous to the 3-million Jews—your co-nationals, my American Jews.

I ask you, is it too late to come to their rescue?

Is it too late to cease sending our congratulations to the murderers of Christians and destroyers of religion? Is it not opportune for you and for us, for Jew and for Christian, to demand of them a cessation of their persecution, of their godlessness, and save the lives of this 3-million minority?

This afternoon the General Jewish Council, which is the central body of the Jewish Community Councils, is about to answer my so-called anti-Semitism which, in reality, is anti-Communism. This General Jewish Council, which is composed of the American Jewish Committee, the American Jewish Congress, the B'nai B'rith and the Jewish Labor Committee and, therefore, to which all the



local Jewish Community Councils are related, has chosen for its spokesman a distinguished gentleman of my own faith, a most prominent attorney in whose veins there courses the same Irish blood which flows in mine.

Nevertheless, he is the engaged spokesman of the General Jewish Council. Not to him do I address these remarks but rather to the client whom he represents.

Because I love my fellow Christians both abroad and at home; because I love my fellow Americans, be they Jew or gentile, I will not be silent in the face of an impending disaster, nor will I still my voice in pleading for the elimination of all persecution be it that of Naziism, or of Communism whence it sprang, or of the economic injustices which, in turn, advanced the Lenins, the Trotskys and their atheistic breed to the pinnacles of power.

Were I an enemy of Jewry I would be silent. Were I anti-Semitic, I would bandage my eyes, refusing to view the realities of life, and let happen what will happen in America and Russia and elsewhere without protest.

Therefore, using as my text-book, the "B'nai B'rith National Jewish Monthly Magazine" for June, 1938—a Cincinnati publication—let me prepare this audience for its reception of the General Jewish Council to which is affiliated the Jewish Community Councils throughout America.

For the information of all Christian Americans—Catholic and Protestant—let it be known on the authority of the "B'nai B'rith National Monthly Magazine" that Jewish Community Councils are generally composed of representatives of all the Jewish organizations of the city in which they are formed. The size of the Jewish Community Council reflects the type of community in which they exist and they are comprised of from 7 to 165 Jewish organizations in some cities with as many as 250 representatives.

In the few short years of their existence, these Councils have many accomplishments to their credit. They have brought together Jewish groups for joint action — Jewish groups which never before have met on a common footing.

They have attracted into the orbit of active Jewish community life certain organizations which have in the past been detached from the center of Jewish group affairs.

The authenticity of these statements is vouched for, I repeat,

in the June, 1938 edition of the "B'nai B'rith National Jewish Monthly."

This magazine informs us that in Cincinnati, for example, the local Community Council has representatives from 13 synagogues and temples; 11 Zionist and pro-Palestine groups; 6 local welfare agencies; 4 national hospital groups; representatives from the American Jewish Committee, the J. D. C., the B'nai B'rith, the Council of Jewish Women and its junior division, Friends of the Hebrew University, Jewish National Workers Alliance and 11 other organizations.

Over all the Jewish Councils in America there dominates the General Jewish Council—an organization, therefore, which, more than any other Jewish organization, speaks authoritatively for the Jews.

In publishing the report of achievements accomplished by the Jewish Community Councils, we read on page 365 of the "B'nai B'rith National Jewish Monthly" for June, 1938, the following astounding admission:

"In Bridgeport and Cleveland, the Councils persuaded public school officials to stop Easter and Christmas practices which had been embarrassing to the Jewish children and had found serious objections among Jewish parents who had hesitated to deal with the matter individually."

In referring to this remarkable quotation, the words I wish to emphasize are these: "Christmas and Easter practices." By "practices" I understand neither the teaching of religion, the reading and the interpretation of the Bible, nor the common recitation of prayers.

These words—"Christmas and Easter practices"—connote for me in this connection the celebration of these two great holidays—the interchanging of gifts, the singing of Christmas carols, the innocent pageantry associated with the crib and the empty tomb.

And in submitting this quotation, I do not wish to infer that the Jewish Community Councils are totally responsible for eliminating Christ or religion from our schools. I am glad to admit that this organization is within its constitutional rights. More than that, I admit that this action cannot, by any stretch of the imagination, be construed as intolerant.

I am not so illogical as to charge that the Jews alone have been responsible for banishing religion from our educational institutions: Many influences and policies, originating from non-

Jewish quarters, have contributed their major share towards this unhappy condition.

I am not so illogical as to charge that organized Jewry in America is opposed to the preachments and practices of Christianity within the walls of our churches or under the roof-trees of our homes.

But I am logical enough to comprehend and appreciate the truthfulness of Lenin's statement: "Give me a child for three years and I will hand you back a Communist." And I am Christian enough to assert that if God will remain expatriated from our schools, these public institutions will begin to contribute towards graduating a godless generation.

In fairness both to the Jews and to my audience, let me repeat the use I am about to make of this quotation: I am restricting the words "Easter and Christmas practices" merely to the innocent celebrations in which our children participate immediately prior to the two great holidays, Christmas and Easter.

Already the teaching of religion has been stricken from the curricula of nearly every public school. In many States school authorities have seen fit to exclude even Bible reading.

In this instance, I am concerned, then, with the passing of almost the last mention of Christ within our classrooms where His birth, His death and resurrection — great historical events that they were—even greater than the discovery of America and the signing of the Declaration of Independence — are no longer mentioned or celebrated in festal manner by our children. For this all of us are to blame—all Christians, more than the Jews.

In fact, the Jews are to be congratulated for succeeding in getting their policies practised — especially when they are in the minority.

But, remembering that godlessness is the poisoned spring whence Communism originates; remembering that this United States was founded by Christians, pioneered by Christians and developed, in great part, by Christians with no more than 4-million Jews claiming residence amongst our 130-million population, why do the local Jewish Community Councils cooperate with others in imposing their policies, their constitutional policies, of opposition to "Christmas and Easter practices?" Why do they propagate that policy through the agency of a law that is on their side? Why do they boast in their publications that they have sown seeds—what shall I call them—seeds of godlessness?

Were my advice of any value, I should counsel the Jews to

refrain from joining with others in adopting a program — even though constitutional—which breeds resentment to their race.

I find no fault with the Jewish Councils for following out their constitutional rights; they are to be praised for that. Perchance, I find fault with them for their injudiciousness in attempting to live according to the letter of the law—the letter that killeth.

Their action, therefore, lends itself to serious misinterpretation. It excites the spirit of intolerance amongst many citizens who resent any assault against the story of Bethlehem and the tragedy of Calvary even though it be constitutional, particularly if it comes from those who do not profess Christianity.

Intolerance towards men is always reprehensible. But oftentimes intolerance is provoked by injudicious and erroneous policies.

Therefore, I appeal to the General Jewish Council and to the local Councils. I ask you: "Even though you are within your constitutional rights; even though we dare not protest legally—why have you closed the minds of our children to the beautiful story of Bethlehem and the Messias? Was not that an act of poor judgment?"

"Why have you blotted out the cycle of the Easter story with its Pilate's hall, its crucifixion and its glorious resurrection of the Victim of mob violence and hate?"

"We Christians—we have no constitutional redress. We should not even complain because you are within your rights. But, I repeat, it appears that you are injudicious."

Even if you Jews and gentiles in great number consider that these practices are idle dreams and poetry—why not leave us with our dreams, our poetry—dreams and poetry that we learned at our mother's knee; dreams and poetry which were carried here by Columbus in his Santa Maria; dreams and poetry which were told by LaSalle, by Brebeuf and Lalemant to Tekakwitha and the Indian children; dreams and poetry which motivated the pilgrim fathers to brave the elements of a hostile nature; dreams and poetry which brought the Huguenots to seek refuge upon our shores; dreams and poetry which burned in the hearts of the Scotch Covenanters in the Virginias and Carolinas; dreams and poetry which both Catholic and Protestants regard not as dreams and poetry but as the bread of truth and the wine of life! Oh, my fellow citizens, it was the dreams and poetry born in the crib of Bethlehem and spoken from the pulpit of the Cross that made this country the land of the free and the home of the brave.



Oh, how can the General Jewish Council and the Jewish Community Councils who are about to answer me today through the lips of a fellow religionist, and with the voice of a fellow descendant of that same Irish race which suffered death and persecution—how can they be so unkind to us with their admitted pre-eminence in banking, in press, in cinema and in radio, and with the law on their side—to protest against the innocent practices of Christmas and Eastertide?

The banking institutions can rob our Christian citizenry through the practice of usury.

A controlled press can veil the eyes of a nation against the Christian blood which has run ankle-deep in Barcelona.

Members of your race can devise reasons to exclude a voice from the airways which seeks to tell America the truth.

And pitiless propaganda can exhibit itself upon the silver screens of our nation to deceive us. These things are not worthy of protest. They are negligible. But when, constitutionally and legally, you tell us in your official publication of instituting a successful program—to use your own words—of “persuading the public school officials to stop Easter and Christmas practices which have been embarrassing to the Jewish children . . .” then, silence on my part were criminal if I did not point out to you that you are injuring yourselves; that you are piercing the very heart of America; yes, driving in the lance to let the last drop of blood flow from the godless, lifeless corpse of our once glorious civilization.

My fellow Jews, please understand our Christian attitude towards all this: You are a minority—a small but powerful minority. We are a majority—an easy-going, patient majority—but a majority always conscious of our latent power.

Sometimes we are a careless majority. The saintly Pope Pius X, referring to our apathy, spoke of the heroism of Blessed Joan, and contrasted it with the timidity of so many, particularly in our day: “In our time more than ever before, the chief strength of the wicked lies in the cowardice and weakness of good men . . . All the strength of Satan’s reign is due to the easy-going weakness of Catholics.”

We are a democratic people. In our conception of democracy Christmas and Easter were accepted as axiomatic truths by most of those who framed our Constitution—as axiomatic as the law of gravitation which these founders troubled not to write into

the document which safeguards our rights and our liberties. But that was unfortunate for us.

The acceptance of these truths, I confess, is not so general today amongst all our Christians and citizens. However, in the hearts of those who have ceased practising religion, or who regard it as a non-essential for the well-being of our national life—in their hearts there is a resentment towards any organized group which, either directly or indirectly, assails the ideals cherished by their mothers.

My friends, when I quote for you the evidence of a program injudiciously but constitutionally designed by a minority group to cooperate with those who are aiming to complete the de-Christianization of America, I am presenting no novel program recently conceived either by the General Jewish Council or the Jewish Community Councils themselves. That program has been in our midst long before the General Jewish Councils were organized.

However, I ask the religious Jews of America — and I believe they are in the majority—Jews who, perhaps, are not aware of this policy and program—I ask them to be kindly towards us.

Russian Communism was motivated by a man who swore he would drag God from His false heaven.

Communism over the world is identified with this godlessness, this extinction of Christ and of God from the lives of men.

Whether you are aware of it or not, this regrettable policy of godlessness is indelibly stamped with the hallmark of world Communism.

The words which I have spoken today are reaching Cleveland and Bridgeport and practically every other city in this nation where Christmas and Easter practices have been excluded from the public schools through the self-admitted agency of cooperative, constitutional Jewish activity. I feel that the fine, intelligent, religious Jews of America will not persist, in this instance, in their constitutional rights.

With no rancor or resentment am I unveiling these thoughts today. I am simply protesting in the name of the inarticulate millions — protesting against those Jews and gentiles who seek — through intolerance?—to withhold from the children of this land the tender story of the Christ Child and His glorious resurrection from the dead. Jews are not intolerant. No, I cannot believe that.

My friends — Christians and religious Jews — I am motivated



by a desire to strike courageously at all persecution. Let us, therefore, join together hand in hand to strike at the cause of all persecutions, irreligiousness, godlessness, Christlessness.

Jews of America, look back down the ages to the great traditions that are yours. Sounding high from the tops of Sinai spoke your God and my God to Moses. Down its slopes to the wanderers in the desert came Moses with the Commandments which both of us revere. God is your God. God is my God. Why, therefore, shall you persist in your constitutional rights when we Christians revere our Christ as the Second Person of the Most Blessed Trinity? Why shall you persist? I know you will not. I know you will desist!

Thus, when the spirit of Christmas is about to descend upon the entire world, I regret that I found occasion to remind this audience that the General Jewish Council—responsible for disbarring not the Christian religion, not the preaching of the Bible, not the recitation of prayers, but the last vestiges of Christmas practices from many of our schools—that the General Jewish Council has engaged the services of a fellow Catholic to discuss my recent challenge. It was a challenge occasioned by a 400-million dollar fine levied against 600-thousand Jews—a challenge for Christians to protest against this and other Nazi persecutions of a minority people—.

But it is likewise the occasion for Christians to remind the Jews of their Trotskys, their Bela Kuns, their Lunacharskys and their commissars who, since 1917 until this present hour, have been engaged not in levying fines against Christians but in destroying them from the face of the earth.

Consequently, I appeal to American Jew and gentile to stand shoulder to shoulder against not only Naziism but also against Communism from which it springs—and against godlessness and injustice—. That is all I ask, and that is all I plead for.

In conclusion, may I tell you that more than 1900 years ago when, at the first Advent, the world was looking forward to the birth of Christ in the manger, there were Three Wise Men from distant lands determined to leave their homes and their occupations, to follow the silver shining of a star that led them over the sands of a desert to the crib of Bethlehem.

Where are the Wise Men today!

The same silver star is shining brightly above!

The same clarion call has gone forth to you and to me as once it did to Melchior, Balthasar and Kaspar, the gentiles from the East, who came to kneel before their brother and their God.

Is this invitation today in vain for those of us who hear it?

Shall the beckoning of the star shine in vain for those who glimpse it?

Oh, too long have you and I both held aloof from our Master and our Lord!

Victimized by poverty, by exploitation and by war and depression, and perhaps motivated by a desire to have that which has been taken from us—I ask you Christians to come; to cross over to Bethlehem! Kneel before the crib of your Christ this Christmas! Bring Him the gift of a heart that will love Him; of a mind that will know Him and of a soul, a person, that will serve Him. Bring Him back to His place of honor among the governments and nations of men!

As a token of your good will, my friends, search out some little child! God grant that you will treat that little child kindly, charitably and justly this Christmas. Good afternoon. God bless you.

# Is Christ the Messiah?

*Sunday, December 18, 1938*

My friends, while we are busied preparing for the feast day of Christ's birth, it is appropriate that I submit for your consideration a discussion which will be concerned intimately with the question: "Is Christ the Messiah; is He the long-expected Deliverer of the human race?"

This question leads us into a litany of related questions which are clothed with significance, especially in this age of transition. The answers to them likewise are of significance when the world is considering either the rejection of Christ and His entire social system of deliverance or the re-acceptance of Christ and all His doctrines which affect both the individual and society.

Dissatisfaction with the present order of things is apparent in every sector of civilization. The machinery of economics has broken down. Absurd racial theories in the sphere of sociology have gained unreasonable support. In the field of education, an unsound program has been imposed upon nation after nation to the detriment of their citizens. In fine, the intellectual world is in chaos chiefly because too many of our leaders have rejected the supernatural order of life which was ushered into the world at Bethlehem, nineteen hundred years ago, and substituted for it a natural order which, judging from the results which this latter produced, has proven not only inefficient but destructive.

These thoughts are related to the word, "Messias"—a word which, translated into English, means "the Deliverer." These thoughts indicate that, in the offing, a tremendous decision is about to be made by all nations; for we desire deliverance.

Once more nations will either re-assert their belief in the supernatural Messiah and the supernatural order of social life which He established, or they will complete their rejection of Him, logically proceeding to exterminate Him in the personal life of the individual; for it is untenable to retain, side by side, the individual doctrine of Christ and the social doctrine of Anti-Christ.

I characterize this position as untenable because Christ, the Messiah, must be accepted as such both in our individual and

social lives, which are so intimately intermingled that only with great difficulty can they be separated in practice.

Christmas, then, is either a feast which marks the birth of the divine Babe of Bethlehem, or it is an historic date which chronicles the birth of a fabulous idolatry.

The Babe of Bethlehem is either the Anointed One Who dwelt amongst us in order to deliver us from all evil, or He is a charlatan possessed of an egomania and the deceiver of hundreds of millions of men for more than nineteen hundred years.

He is either the cornerstone of civilization, or He is its stumbling block.

He is either the Word Made Flesh, or He is a living lie.

Christ is either the Messiah or He is not. If He is not, then our religion is nothing more than an abomination of errors; our faith is a mirror of deceit; our hope is an idle, fleeting dream; and our charity, which bids us to love God above all things and our neighbors as ourselves through Christ, is a fiction which leads to disaster. In fine, the celebration of Christmas is nothing more than a perpetuation of a falsehood, and Calvary, the axis of Bethlehem, was justified, with its nails and piercing crown of thorns.

My friends, there is no middle ground upon which Christ can be accepted. Either He is the Deliverer, or He is the seducer of mankind. As the Deliverer—the Messiah—His person, His leadership, His supernatural doctrines can conquer poverty, ignorance, warfare, sin and death.

As the Messiah, it is He and only He Who can restore prosperity to a decadent world and life everlasting to a buried corpse.

On the other hand, if Christ is not the Messiah, born amongst the Jews and rejected by the Jews as such, then we Christians have been grossly deceived and should join with the non-Christians in searching for another efficacious order or plan which can dissolve our sufferings; for another efficacious leader who can deliver us from our personal, national and international miseries.

If Christ is not the Word Made Flesh—the Truth Made Flesh—then the Jewish race is absolutely correct in its contentions.

Amongst the Jews there are two chief schools of thought relative to the Messiah. Both schools maintain vigorously that Christ is not the deliverer of mankind. One school, to which most orthodox Jews belong, teaches that a personal Messiah is yet to

come. The second school, abandoning the idea of a personal Messiah, insists that the Jewish people as a nation has been preordained by God to be the deliverer of the world. If, on the one hand, the orthodox Jews generally expect the birth of a personal Messiah at some future date, on the other, the reformed or liberal Jews are those who follow the leadership of Kant, Fichte, Schelling, Schopenhauer and Marx whose philosophy insists that there will be no real, personal Messiah—a philosophy which suggests that upon the Jewish nation as a whole rests the responsibility of liquidating poverty, ignorance, war, bloodshed, sin and death from this world.

There the question stands: According to Christians, Bethlehem marks the birth of the supernatural Messiah who proclaims the supremacy of the Christian Church and contributes to it a supernatural power to be used in delivering the world from its moral, physical and economic slavery.

According to orthodox Jews who wish to return to Jerusalem to rebuild its ancient temples and re-establish its pristine glory, the personal Messiah is yet to come.

And, according to the reformed or liberal Jews who have departed from the ancient hopes and aspirations of Judaism by rejecting belief in His personal coming, the world is waiting for a Messianic Age which will be the result of Jewish national leadership—an age of naturalism which will have for its end the subjugation of all nations to the naturalistic philosophy of race supremacy.

Already, Naziism has set up an erroneous defense mechanism against this racial supremacy. In doing so, it has fallen into an error similar to that entertained by liberal Jews—an error which, with its preliminary restrictions against Christianity, will lead to the absolute rejection of Christ.

This Christmas, which marks the passing of the year 1938, finds the world standing at the crossroads of civilization.

Already in France, England and the United States the feast of Christmas—of the Messiah—is over-fraught with materialism, and the concept of a supernatural delivery is gradually fading from our consciousness; the realities of the crib, of the virgin mother, of the miraculous birth — these will grow so dim and unappreciated that our rising generation will not be able to discern the substantial difference existing between them and the myths which surround the name of Jupiter, the birth of Athenae and the deeds of Hercules.

In the swift stream of life whose waters are hurtling towards the precipice of a social Niagara and thence to the whirlpool of

chaos, those who ride in the ship of Christianity towards the port of peace, prosperity and everlasting salvation will find little security, if the hands of those who man the ship grasp idle oars. Nearer and nearer than most persons calculate are we approaching the brink.

Sooner than most persons care to admit, both the ship of Christianity together with its cargo of civilization and its crew, will plunge over the brink to be crashed upon the rocks of revolution or tortured by the whipping whirlpool of distress, unless Christians recognize the immediate necessity of accepting Christ as the Messiah and His doctrines and precepts as their guide.

My friends, Christ is the Messiah. As such He must be accepted for the salvation of individuals and of the world, else the racial supremacy idea entertained by so many reformed, liberal Jews to the effect that their nation is the Messiah; that their nation with all its racial proclivities, objectives and determinations must dominate the world — else this latter will dominate through the sheer force of circumstances.

To give a Scriptural reason for the faith that is in you I plan to recall certain prophecies from the Old Testament—prophecies extracted from the Scriptures written by Jews—to indicate that Christ is the True Messiah.

But before I do this, permit me to speak a few more words on the philosophy accepted by the reformed, liberal Jews which teaches that the Messiah is not identified with an individual person but with the entire race of Jews themselves.

Thus, I quote from Fillion's "Life of Christ," Vol. I., page 507, from which I read the following:

"We have before us several Jewish catechisms. What do they say about the Messiah? The 'Precis Elementaire d'Instruction Religieuse et Morale pour les Jeunes Francais Israelites' (Elementary Compendium of Religious and Moral Instruction for Young French Israelites), approved by the central consistory, says in the twelfth of a list of 'Thirteen Articles of Faith': 'God, at the time which He has pleased to determine and which He alone knows, will send us the Messiah announced by the prophets, who, with the assistance of the divine power, will bring about the triumph of the belief in God's unity and will cause war, vices, and all human afflictions to disappear from the earth.' This is all that this Jewish catechism feels called upon to say about the great Liberator who fills the pages of the Old Testament and for so long aroused the holy desires of all Israel.



"If we ask the theologians and exegetes of contemporary Judaism what is their belief on this point, we receive an equally unsatisfactory answer. Dr. Philippon, a rabbi highly esteemed by his coreligionists, has written a three-volume manual of theology, entitled, 'Die israelitische Glaubenslehre,' (The Doctrines of Judaism), which makes no mention of the Messiah. In a tract intended for Israelitic youth, the same author uses the word Messiah, but in such a way as to show that whatever concerns that personage was the result of an enthusiasm which occasioned the ruin of the Jewish State. Professor Luzzato's 'Lezione di Teologia Dogmatica Israelitica,' a manual recommended among a great many others by Jews to those who desire to study their religious doctrine, is silent on the subject of the Messiah. Charles Montefiore, the head of the liberal section of English Judaism, devotes a few pages to the subject in his 'Outlines of Liberal Judaism,' only to make this very frank avowal: 'The personal Messiah . . . is not believed in, or looked forward to, by Liberal Judaism . . . We no longer believe in or teach the literal accuracy of the Messianic predictions of the prophets . . .'

"This renunciation of the Messiah promised by the prophets, sometimes disguised, but often quite clearly stated, shows that modern Judaism has ended in a veritable religious bankruptcy by eliminating one of the most essential articles of faith of the Jewish religion and transforming the Messianic hope into a simple process of evolution."

With these remarks I have stated briefly and accurately the Christian question which confronts America and the entire world today. It is not a question of politics, economics or government. It is a basic question of whether or not Christ is the Messiah; whether or not Christ established a supernatural order to save the world; whether or not there is a Messianic race, a chosen people who believe that its function in the economy of life is to lead all nations of the earth from the wilderness of suffering, poverty, war and destruction to the promised land of peace, prosperity and contentment.

Therefore, may I submit references and quotations, from the ancient Jewish Scriptures to indicate that Christ is the Messiah.

Strewn throughout the Old Testament there are many prophecies relating to the Messiah. When we weave them together they form a wondrous fabric that makes them more impressive and striking. Or, we might compare them to a majestic edifice built stone by stone by the Holy Ghost Himself, with the aid of

secondary architects and masons who are none other than the sacred writers. Each one of them, without knowing the part he played, laid stones designed to support the works of his successors. In fact, notwithstanding the great diversity and large number of builders; notwithstanding that thousands of years were necessary in constructing it, the whole work is divinely harmonious.

As Pascal wrote: "Had a single man composed a book of prophecies, that would be evidence of an infinite power. But it was more than this. It was not one man, but a succession of men; they wrote a book not in one year, but over a lapse of four thousand years, one after the other predicting this same event of Bethlehem."

These prophecies not only supplement one another; more than that, they serve mutually to explain one another, now by adding some new detail, now by developing an older statement to render it clearer and more striking.

Consider the first of all the prophecies which relate to the Messiah.

In the shadows of Eden's Garden, sadly darkened by the fall of our parents, we discover the utterance of the first glad tidings of Christ's birth. "I will put enmities between thee and the woman and thy seed and her seed; she shall crush thy head, and thou shalt lie in wait for her heel." (Gen. 3:15.) This is the first vague and undetermined promise regarding the birth of Christ.

The second and more specific promise that Christ would be born carries us to the new cradle of humanity. Following the flood, Noah, by divine inspiration, announces to his son named Sem that God will be his God in a special way, for it is from his posterity that the Redeemer will one day be born. (Gen. 9:26.)

At the beginning of the third era of Hebrew development, the circle of prophecy becomes more specific as we turn to those chapters of the Bible which deal with the story of Abraham. He, the offspring of Sem, is led from the distant Chaldea to the land of Palestine. Explicitly the pages of the Old Testament, almost two thousand years before the coming of Christ, foretell that Abraham is destined to be the mighty ancestor of the Redeemer.

Then in quick succession after Abraham's death, the promise of Christ's birth is renewed to Isaac and to Jacob: "To thee and to thy seed will I give all these countries, to fulfill the oath which I swore to Abraham thy father" (Gen. 26:3) were the words spoken to Isaac.

Shortly before his death, Jacob uttered a celebrated prophecy

in which he announced that the Saviour of the world would belong to the tribe of Juda: "The sceptre shall not be taken away from Juda nor a ruler from his thigh until He come Who is to be sent and He shall be the expected of nations." (Gen. 49:10.)

Some centuries later when Balaam was called upon by the King of Moab to curse the Hebrews, he broke forth into the wondrous foretelling that "a star shall rise out of Jacob, and a sceptre shall spring up out of Israel." (Numbers 24:17.)

The circle narrows down when we come to the time of Moses. The Christ is to be the spokesman of Almighty God. He is to be the lawmaker, the mediator and the prophet.

Years later the mother of Samuel, Anna by name, gave voice to the statement that "God shall give empire to His King and shall exalt the horn of His Christ." (I Kings 2:10.)

Then we come to the mighty King David, who tells us that the Messiah shall partake of our human nature and that He shall be a priest according to the order of Melchisedech. (Psalms 109:4.)

Eventually, about the ninth century before Christ, in the age of the prophets, properly so-called, the promise of the future Redeemer resounded with new vigor and clearness. Isaias sees the virginity of His mother. (Isaias 7:14.) "Therefore, the Lord Himself shall give you a sign; behold a virgin shall conceive and bear a son and His name shall be called Emmanuel."

Malachias sees Him in the temple. "And presently the Lord Whom you seek and the angel of the testament whom you desire shall come to His temple. Behold He cometh saith the Lord of Hosts." (Mal. 3:1)—the same Malachias who said: "From the rising of the sun even to the going down, my name is great among the gentiles." (Mal. 1:11.)

Zacharias provisions His being sold for thirty pieces: "For they weighed for My wages thirty pieces of silver." (Zach. 11:12.) And again Isaias, whom we have just quoted, sees Him glorious in His sepulchre as He vanquishes death, and describes how the reign of Christ will transform the earth into a new Garden of Eden. Indeed this prophet in the fifty-third chapter pictures the passion of Christ so vividly and accurately that an ordinary reader thereof would be apt to regard it as an historical account of Christ's sufferings instead of a prophecy.

To leave nothing wanting in these prophecies, the inspired writers reckon the year of Christ's coming. This date was well established in the ninth chapter of the Prophet Daniel.

According to the eminent Bossuet, there are allusions in the minor prophets of the Holy Family's flight into Egypt; (Osee 11:1) to Christ coming to the temple at Jerusalem; (Aggeus 2:8) to His priestly dignity; (Zach. 6:12) to His triumphant entry into the Holy City; (Zach. 9:9) and finally, to His birth in the meanest, smallest city of Judea, named Bethlehem. (Micheas 5:2) "And thou Bethlehem, ephrata, art a little one among the thousands of Juda: Out of thee shall He come forth unto me who is to be the ruler of Israel and His going forth is from the beginning, from the days of eternity."

What a stupendous array, my friends, of prophetic writings! Hundreds of years in their total composition; almost one thousand years from the time of Micheas, who, like the star that led the Wise Men in Christ's own day, was the prophetic light in the sky of antiquity, pointing out to men the humble little town where Christ will be cradled!

That these prophecies were known by the leaders of the Jews is certain. Did not the three Wise Men from the East approach the high priests and Herod?

Did not this king and his secretaries search the ancient Scriptures and define accurately both the date of the Messiah's birth and the town where He was born?

Most certainly, the prophecies indicated that Christ shall be born at a definite date, in a definite village, under definite circumstances.

My friends, the date long since has passed. Why, therefore, do some men look for the coming of a Messiah when the clock of time has passed the appointed period by more than nineteen hundred years—when the prophecies have been fulfilled?

It is easily conceivable, therefore, why millions of so-called reformed Jews have given up the idea of a personal Messiah and cling tenaciously to the theory that the chosen people of old are still the chosen people of today — the Messianic people — whose function in life is to play the part of the Messias.

The doctrine of Aryanism preached by the National Socialist Party has been subjected to the severest criticism because directly and indirectly it teaches that men of Aryan blood are superior to all non-Aryans.

But the doctrine of the Messianic people which conceived the idea that, as a people, they are the chosen of God, the deliverers of the human race and, therefore, the superiors of all mankind, is equally obnoxious.

Of old the Jews were the chosen people. To them Almighty



God entrusted the protection of the doctrine of theism in a world which had lapsed into polytheism, paganism and atheism.

But it is our Christian concept that the part played by the Jewish nation from the beginning of time down to the shining of Bethlehem's star was nothing more than a preparation for the birth, the life, the death, the resurrection and the doctrines of their noblest Son, Jesus Christ.

It was their privilege to keep burning the spark of God in a world of darkness. It was their mission to prepare a cradle whence would arise the Redeemer to unite all men and all nations — not by the destruction of nationality but by the teaching of a universal doctrine that was supra-national.

Cardinal Newman beautifully portrays the thought that the ancient glory and grandeur of the Jews before the Christian era was identified with their mission of preparing for the coming of Christ. In his book entitled, "Grammar of Assent," Page 433, he says of the Jews:

"They begin with the beginning of history, and the preachings of this august dogma begins with them. They are its witnesses and confessors, even to torture and death; on it and its revelation are moulded their laws and government; on this their politics, philosophy, and literature are founded; of this truth their poetry is the voice, pouring itself out in devotional compositions which Christianity, through all its many countries and ages, has been unable to rival; on this aboriginal truth, as time goes on, prophet after prophet bases his further revelations, with a sustained reference to a time when, according to the secret counsels of its Divine Object and Author, it is to receive completion and perfection,—till at length that time comes."

The promise of the Messiah and the expectancy of His coming—these were the vitalizing influences in the life of ancient Jewry. Then this preeminent churchman and scholar contrasts this ancient glory and culture to the present predicament of the Jews. He says:

"The last age of their history is as strange as their first. When that time of destined blessing came, which they had so accurately marked out, and were so carefully waiting for—a time which found them, in fact, more zealous for their Law, and for the dogma it enshrined, than they ever had been before—then, instead of any final favour coming on them from above, they fell under the power of their enemies, and were overthrown, their holy city razed to the ground, their polity destroyed, and the remnant of their people cast off to wander

far and away through every land except their own, as we find them at this day; lasting on, century after century, not absorbed in other populations, not annihilated, as likely to last on. . . .

"What nation has so grand, so romantic, so terrible a history? Does it not fulfill the idea of, what the nation calls itself, a chosen people, chosen for good and evil? It must have a meaning, if there is a God. We know what was their witness of old time; what is their witness now?

"Why, I say, was it that, after so memorable a career, when their sins and sufferings were now to come to an end, when they were looking out for a deliverance and a Deliverer, suddenly all was reversed for once and for all? They were the favoured servants of God, and yet a peculiar reproach and note of infamy is affixed to their name. It was their belief that His protection was unchangeable, and that their Law would last forever;—it was their consolation to be taught by an uninterrupted tradition, that it could not die, except by changing into a new self, more wonderful than it was before;—it was their faithful expectation that a promised King was coming, the Messiah, who would extend the sway of Israel over all the people;—it was a condition of their covenant, that, as a reward to Abraham, their first father, the day at length should dawn when the gates of their narrow land should open, and they should pour out for the conquest and occupation of the whole earth:—and, I repeat, when the day came, they did go forth, and they did spread into all lands, but as hopeless exiles, as eternal wanderers. . . .

"That the Jewish Scriptures were in existence long before the Christian era, and were in the sole custody of the Jews, is undeniable; whatever then their Scriptures distinctly say of Christianity, if not attributable to chance or to happy conjecture, is prophetic. It is undeniable too, that the Jews gathered from those books, that a great Personage was to be born of their stock, and to conquer the whole world and to become the instrument of extraordinary blessings to it; moreover, that he would make his appearance at a fixed date, and that, the very date when, as it turned out, our Lord did actually come. This is the great outline of the prediction, and if nothing more could be said about them than this, to prove as much as this is far from unimportant. And it is undeniable, I say, both that the Jewish Scriptures contain thus much, and that the Jews actually understood them as containing it.



"Such were the initial communications made to the chosen people, and there they stopped;

"And in the second place it is quite clear that the Jews did thus understand their prophecies, and did expect their great Ruler, in the very age in which our Lord came, and in which they, on the other hand, were destroyed, losing their old self without gaining their new. Heathen historians shall speak for the fact. 'A persuasion had possession of most of them,' says Tacitus, 'A persuasion had possession of the Romans, that it was contained in the ancient books of the priests, that at that very time the East should prevail, and that men who issued from Judea should obtain the empire. The common people, as is the way of human cupidity, having once interpreted in their own favour this grand destiny, were not even by their reverses brought round to the truth of facts.' And Suetonius extends the belief:—'The whole East was rife with an old and persistent belief, that at that time persons who issued from Judea, should possess the empire.' After the event of course the Jews drew back, and denied the correctness of their expectation, still they could not deny that the expectation had existed. Thus the Jew Josephus, who was of the Roman party, says that what encouraged them in the stand they made against the Romans was 'an ambiguous oracle, found in their sacred writings, that at that date some one of them from that country should rule the world.' He can but pronounce that the oracle was ambiguous; he cannot state that they thought it so."

So, is described the relationship of Jewish grandeur, power, and preeminence before Christ; and these were intimately associated with the coming of the Messias, who, when He came, was rejected.

My friends, the present forces militating against Christianity are numerous. National Socialism has surrounded it with a myriad of restrictions. Communism has outlawed it together with all theism. Naturalism which, interpreted, means man's ability to get along without God, or man's determination to confine God and Christ and Christianity to the walls of cathedral or chapel—all these are the forces against which we must contend as we look forward to the rebirth of Christ, the Messias—or to His being rejected.

If Jewish supremacy in poetry, in polity and in righteousness was attained because Jews, before Christ, lived for the coming of Christ, what will be our supremacy, our security, if we accept Christ and all His doctrines?

Steadfastly we must stand to preserve nationalism in preference to an insidious internationalism. But in preserving it we must entertain no ideas of race superiority, nor can we tolerate any ideas of a Messianic people to occupy the position which belongs to the Messias, Jesus Christ.

In common, both the Jews and the Christians are scattered throughout every land and mingle with every nation on this earth.

The former have no flag and look forward either to the coming of a personal Messias or else dream of the day when their accursed nation shall become the world Messias.

The latter—the Christians—glory in the flag of the nation where they live and point with pride to the uplifted Cross, symbolic of the victory of Christ over death and all things that appertain thereto—poverty, slavery, exploitation and persecution.

Into all lands these two have been scattered—Jew and Christian. And what shall we say of the Jews—they who rejected Christ; they who have suffered the lash of persecution in every century and under every flag? Let me quote the words of Cardinal Newman:

"I have said (that in ancient days) they were in God's favour under a covenant,—perhaps they did not fulfill the conditions of it. This indeed seems to be their own account of the matter, though it is not clear what their breach of engagement was. And that in some way they did sin, whatever their sin was, is corroborated by the well-known chapter in the Book of Deuteronomy, which so strikingly anticipates the nature of their punishment. That passage, translated into Greek as many as 350 years before the siege of Jerusalem by Titus, has on it the marks of a wonderful prophecy; but I am not now referring to it as such, but merely as an indication that the disappointment, which actually overtook them at the Christian era, was not necessarily out of keeping with the original divine purpose . . . Their national ruin, which came instead of aggrandizement, is described in that book, in spite of all promises, with an emphasis and minuteness which prove that it was contemplated long before, at least as a possible issue of the fortunes of Israel. Among other afflictions which should befall the guilty people, it was told them that they should fall down before their enemies, and should be scattered throughout all the kingdoms of the earth; that they never should have quiet in those nations, or have rest for the sole of their foot; that they were to have a fearful heart and languishing eyes, and a soul consumed with heaviness; that they were to suffer wrong, and to be crushed at all

times, and to be astonished at the terror of their lot; that their sons and daughters were to be given to another people, and they were to look and to sicken all the day, and their life was ever to hang in doubt before them, and fear to haunt them day and night; that they should be a proverb and a by-word of all people among whom they were brought; and that curses were to come on them, and to be signs and wonders on them and their seed for ever. Such are some portions, and not the most terrible, of this extended anathema; and its partial accomplishment at an earlier date of their history was a warning to them, when the destined time drew near, that, however great the promises made to them might be, those promises were dependent on the terms of the covenant which stood between them and their Maker, and that, as they had turned to curses at that former time, so they might turn to curses again."

Thus, the learned, saintly Cardinal describes the affliction of the Jews scattered amongst all nations—they who rejected the Messiah; they whose glory was predicated upon the coming of the Messiah; they whose punishment was predicated upon His rejection.

And what of the Christians? They, too, are dwellers amongst all nations. By perseverance, by suffering, by heroic effort and particularly by unity, the persecuted Christians of every land preserved intact the story of Bethlehem and handed it down to this, our generation.

"... Christianity is the fulfillment of the promise made to Abraham, and of the Mosaic revelations; this is how it has been able from the first to occupy the world and gain a hold on every class of human society to which its preachers reached; this is why the Roman power and the multitude of religions which it embraced could not stand against it; this is the secret of its sustained energy, and its never-flagging martyrdoms; this is how at present it is so mysteriously potent, in spite of the new and fearful adversaries which beset its path. It has with it that gift of staunching and healing the one deep wound of human nature, which avails more for its success than a full encyclopedia of scientific knowledge and a whole library of controversy, and therefore it must last while human nature lasts. It is a living truth which never can grow old."

The anathemas of the Book of Deuteronomy have fallen on the Jews. The blessings and promises spoken to Abraham have descended upon the Christians.

And why? Because one rejected the promised Messiah; because the other accepted Him.

But in these days when Christians are willing to accept Christ but unwilling to accept His principles of social and of individual life, this is tantamount to another rejection; this is an invitation for God to extend to us anathemas similar to those pronounced in the Book of Deuteronomy against the Jews.

My Christian friends, our contest, then, in this frenzied world is a contest between the supernaturalism of the divine Messiah and the naturalism identified with some human element—a human element, be it that of race superiority or of political persuasion.

We have been waiting for the coming of the Redeemer Who would lift from our backs the heavy, unsupportable burdens of life; Who would erase from our minds the worries of a cruel death; and Who would burn deeply within our souls the imperishable hope of an everlasting happiness. Our institutions have been subjected to attack. Strange doctrines of radicalism are espoused on all sides. Poverty amidst plenty surrounds us. Wars and rumors of wars confront us.

We have need now more than ever for our Messiah, the Second Person of the Most Holy Trinity. He and He alone is our Deliverer. No nation, no group of men, even though they were God's chosen people in times past, can deliver us from the chains that bind us to suffering and death.

Christ's principles must be the foundation for a new economy of plenty.

Christ's principles must be the new cornerstone of our education.

Christ's principles must be the new basis for our domestic relations.

Christ's principles must be the principles upon which Christian laws shall be written for our national and international security.

Christ is the Messiah—the Deliverer. It is He Who can sustain families without destroying them; nations without liquidating them; and civilization without disrupting it by His doctrines which are supra-national and by His grace which is supernatural.

This, my friends, is the Advent message I leave with you as we prepare to cross over to Bethlehem and join with the shepherds and angels in singing "Peace on earth to men of good will."



# A Christmas Message

*Sunday, December 25, 1938*

On behalf of all those associated with me and in my own name, I wish you a merry, merry Christmas.

May it be merry in the true sense of that word. The old English word—*m-e-r-r-y*—was derived from the proper feminine name, "Mary." In bygone days when knighthood was in flower and when Christianity played a more active part in the social lives of nations than it does today, the expression "merry," synonymous with joy and happiness, was borrowed from the name of the tender virgin mother whose arms enfolded a precious baby to her breast more than nineteen hundred years ago today.

Because this sublime experience was identified with an indescribable joy to which none other could be compared, the ancient English folk coined the word, "merry," to express the superlative of happiness.

Every mother who gives birth to a baby indeed is happy. In fact, there is no joy in all this world quite so great as is the joy of motherhood.

What must have been Mary's joy when, for the first time, she looked into the depths of her baby boy's eyes and glimpsed therein the presence of her Creator and Savior!

What ecstasy must have been hers when His rosy lips were pressed against her breast that first Christmas night!

Despite her poverty; despite the destitution of the wind-swept cave, she was conscious of one thing only—conscious that she held in her arms the Son of God Made Man.

She was oblivious of the dumb animals stabled around her because she felt the mystic touch of invisible guests—God the Father, God the Holy Ghost and myriads of angels.

Therefore, when I wish you a merry Christmas, it is another way of saying that I wish you the same joy that the virgin mother experienced on her first Christmas.

May she be present in your home together with the royal court which surrounded her in the impoverished cave nineteen hundred years ago!

May her Divine Son fill your lives with peace, with love and with every benediction just as truly as He filled Bethlehem's manger with His divine presence centuries ago!

This afternoon's presentation is divided into five short reflections. First, the description of Palestine; second, a meditation upon the birth of Christ; third, the reading of the authentic birth record of the Savior; fourth, some thoughts on the mystery of the Incarnation; and last, a timely application of Christmas and its gift of peace to a world which is contemplating a universal war.

Each section will be introduced by the singing of an appropriate Christmas carol.

Already, the Christmas bells are sounding the melody of "O Little Town of Bethlehem." We will pause reverently, as, in spirit, we join with the shepherds on the hills of Judea, or with the travelers gathered about the flaming logs in one of Bethlehem's taverns.

## I

So this is Bethlehem—Bethlehem of the Holy Land!

To most of us there never was extended an opportunity to visit this hallowed place. Palestine is a very insignificant country, if one judges it by size alone. I remember having read that Cicero once exclaimed: "The God of the Jews must be a little God, since He has given His people such a little country." It is a narrow strip of land bounded on the south by Arabia, on the west by the Mediterranean Sea, on the east by the vast Syro-Arabian Desert. On the north its territory ends at the deep ravine which serves as a bed for the Leontes River.

Palestine's dimension in length is approximately only one hundred and forty-two miles, according to the calculations of English engineers. The width, for that part of country west of the Jordan, varies from fifty-eight miles to twenty-three miles at the extreme north.

The total area of Palestine, including the district beyond the Jordan, scarcely exceeds ten thousand square miles—smaller than our state of Maryland, which is one of the smallest States in the Union.



The Holy Land forms a part of an isthmus which connects the Taurus mountains with the massive mountain range of Sinai.

Contrary to the common opinion, severe winter cold is almost unknown in Bethlehem. While it is true that snow and frost make their appearance nearly every year, nevertheless the mean temperature of the country is fifty-two degrees Fahrenheit in December.

At the time of the birth of Jesus Christ, the division of the Holy Land among the twelve tribes had long since given way to another administrative partition. The country was divided into four provinces, one of them Perea, beyond the Jordan. The other three on this side of the Jordan were named Judea at the South, Samaria in the middle, and Galilee in the north.

Of these four provinces, Judea at that time unquestionably played the most important part, since, for the Jews, it was the religious and political and, to a certain extent, the intellectual center of Palestine. It was there that in the course of numerous centuries had taken place the most significant events in Israel's history. There it was that Jerusalem is located with its glorious temple. There gathered the Sanhedrin.

Nevertheless, it was such a poor country that the Roman geographer, Strabo, asserted that there was no one in the world who would think of making war just to seize that territory, whose material wealth was so insignificant.

It was likewise in Judea that Bethlehem was located, approximately six miles distant from the Holy City.

From Jerusalem, from Dan, from distant Rome and cultured Corinth came those Jews who traced their paternity back to the royal David. In obedience to the edict of Caesar Augustus, they gather at Bethlehem to enroll their names upon the census records of the Empire.

Little do they suspect that the miracle of the ages, the dreams of the prophets, is about to be enacted in their midst.

Soon the flames of their tavern fires will vanish. Soon their story-telling will cease. As the dying embers glow upon the shadowy hearth, sleep will descend upon the sons of David and the silence of night will enshroud them. There, my friends, are we in spirit. Not a sound disturbs the chilly night. Not one? But, hark! What sweet melody is echoing on yonder hills? What light illumines the eastern sky? It is the angels' harps sounding their presence. It is a heavenly chorus praising our God!

It was evening when Joseph and Mary first came to the little town of Bethlehem. Hundreds of other travelers had preceded them. There was not a room to be rented. But Joseph, remembering how in his own boyhood days he had often carried into a cavern an ewe lamb which was about to give birth to her little ones, determined to take Mary to that humble shelter.

Lo! There the mystery of the ages is enacted! As the golden sunlight casts its ray through a beauteous window of stained glass, came Christ, True God and True Man, into the lap of His virgin mother! Meanwhile, Joseph, who, probably, had been outside gathering some firewood, looked aloft at the transcendent light which suddenly shone across the darkened skies. He paused as he heard a chorus of angelic voices raised on high; then came he back to the cave to kneel beside Mary—her Babe and her God pressed close to her breast as the silent, dumb animals breathed upon Madonna and Child.

The song of the angels rises and swells. The shepherds who were watching their flocks are struck by its melody. Behold, an angel stands before them. He tells them: "Fear not! For I bring thee tidings of great joy, that shall be to all the people. For this day is born to you a Saviour, Who is Christ the Lord, in the City of David. And this shall be a sign unto you: You shall find the Infant wrapped in swaddling clothes and laid in a manger." (Luke 2:10.)

My friends, can you not visualize the joy, the happiness that came to those shepherds? No wonder they exclaimed: "Let us go over to Bethlehem!" Can you not picture them as they hastened to the manger; as they bowed down to kiss the dimpled hands and feet and caress the curly head of the Word Made Flesh?

Christmas is the feast of liberty. For four thousand years the chosen people of God waited in expectation for the Messias. If, during that period, they beheld their armies vanquished, their lands destroyed and their entire nation subdued by the Egyptians and others, there was, however, never a time when the fire of hope was totally extinguished within their hearts.

My fellow Christians, I can understand how men lose faith in the Herods who would kill Jesus Christ. But I cannot understand how thoughtful men shall refuse to do as did the shepherds of old—to cross over to Bethlehem and kneel this blessed Christmas before the crib where nestles the Son of God, our Redeemer, our Liberator.

May my humble words revive the angel's song of old, bringing you tidings of great joy!

"Let us go over to Bethlehem!" That has been the watchword down the centuries as nation after nation has taken up the words of the shepherds. The simple story of Bethlehem from the lips of the Apostle Andrew converted the proud Greeks. No eloquence other than the narrative of the Gospel was required in the sermons of James, who won over the haughty Spaniards. Peter and Paul preached the good tidings of His birth to the Romans. The glorious Patrick brought it to the Irish; Austin, to the English; Boniface, to the Germans. And this week, the angel's message which was hymned above the hills of Judea shall find welcome in ten thousand cities, in myriads of hamlets. Indeed, the prophecies have been fulfilled. Indeed, those who love liberty, will love Christ. "His name is great among the Gentiles."

Together with Mary Immaculate and the shepherds and all the heavenly court gathered in that humble cave, we will pause to venerate the Word Made Flesh. We will listen as Mary sings a lullaby to her Baby—

*(Stanza I)*

Shining bright  
In the night,  
Twinkling stars  
Are above Thee.  
Hush my Babe!  
Close Thine eyes,  
Angel wings  
Cover Thee.

*(Chorus)*

Rest Thy head  
On my breast,  
Curly head  
Thorn caress'd.  
Fold Thy hands,  
Dimpled hands,  
'Gainst the cross  
To be pressed.

*(Stanza II)*

Other babes  
Through the years  
Nestle close  
To their mothers;  
Saddened children  
Through their tears  
Call upon Thee,  
Brother dear.

*(Stanza III)*

Thou my Son,  
Thou my Christ,  
Thou my God  
And my Saviour!  
Still my babe,  
In my arms  
Now and ever  
I'll adore.

Meanwhile, Christ's birth is recorded. His name, great amongst the gentiles, will be registered at Bethlehem. It is the birth record of the Son of God Made Man. It is a simple, historic account of the most important birthday in all the annals of mankind. It reads as follows:

"In the 5199th year of the creation of the world, from the time when God in the beginning created the heaven and earth; the 2957th year after the flood; the 2015th year from the birth of Abraham; the 1510th year from Moses, and the going forth of the people of Israel from Egypt; the 1032nd year from the anointing of David King; in the 65th week according to the prophecy of Daniel; in the 194th Olympiad; the 752nd year from the foundation of the City of Rome; the 42nd year of the rule of Octavian Augustus, all the earth being at peace, Jesus Christ, the Eternal God, and the Son of the Eternal Father, willing to consecrate the world by His most merciful coming, being conceived by the Holy Ghost and nine months having passed since His conception, was born in Bethlehem of Judea of the Virgin Mary, made Man."

Such is the record carried down the ages—the record which inspired the Apostles in their preaching; the glorious record which gave purpose to the lives of nations. It was a record woven into the flags of Rome, of Italy, of France and of Germany. It was an inspiration to the English, Scotch, Irish, Poles, Hungarians and Austrians. It was a hope for the Russians, the Spaniards, the Portuguese and Ukrainians. In a word, the birth of Christ at Bethlehem is identified with all the ideals which the freed people of the world cherish.

May I remind you that the word "Bethlehem" means "the house of bread." Amongst the ancient Hebrew people the word "bread" was used as a synonym to express the ideas of security, shelter, clothing, liberty — in fact, all the prime necessities without which life would be impossible.

That same meaning was attached to the word "bread" in later years when the Babe of Bethlehem, grown to manhood, taught us to pray, "Give us this day our daily bread."

Bethlehem, the house of bread! It is the birthplace of the bread of truth in a world that was mentally starving upon the husks of error; it is the birthplace of the bread of economic abundance in a world of poverty; it is the birthplace of the bread of liberty and life everlasting for all the enslaved sons of man—the slaves

manacled in Roman galleys, or the slaves shackled in modern sweat shops or the spiritual slaves held captive by the Prince of Darkness.

O Bethlehem, thou house of bread, we hasten towards thee in spirit! Lead on, silver star! We are grateful to kneel with the shepherds near the Mother and Child!

#### IV

There is more than sentiment attached to the birthday of Christ. The human mind is not satisfied to be enraptured either by the angel's song or the shepherds' visit. Nor are its questions answered merely with the privilege of witnessing, in spirit, the visible and apparent surroundings of the crib—the cattle and the poverty of the first Christmas.

Why was the Son of God made Man, we ask?

How was it possible for a mother to remain a virgin?

What explanation can science offer for an omnipotent God to become wrapped in swaddling garments?

Indeed, the mystery of Christmas has a definite meaning for all Christians. Theologians refer to it as the Feast of the Incarnation, which means the feast which commemorates the birthday of the Second Person of the Most Blessed Trinity Made Flesh.

In the crib at Bethlehem rested True God and True Man. He was God from all eternity. He was Man only from the time of His conception and His birth.

As God, it was He Who spangled the heavens with all the stars.

As man, He is no more powerful than was any other baby.

There He is, however, True God and True Man — Omnipotence in bonds, as Cardinal Newman described Him.

Of course, we believe that Jesus Christ as God is the Second Person of the Blessed Trinity. We believe that He is the Son of God the Father.

As Man, He had no father in the same sense that you and I have one. It was through the power and operation of the Holy Ghost that He was conceived in His mother's body—a mother, therefore, who was a virgin.

That is our belief. That is part of the mystery of Incarnation.

But this mystery of the Incarnation is like a vast diamond with many, many facets. Although Christ had no human father which, to us, is a biological mystery; although His mother remained a virgin after His birth, which is a physiological mystery, there are still deeper mysteries—more brilliant facets in this great diamond of the Incarnation.

Why did Christ come down to earth to endure its poverty, its suffering, its heartaches and disappointments?

Well, that is a theological mystery. The only answer that I may submit to you at present is this: Every intelligent person knew that some serious affliction had befallen human nature. Here were millions of men, all struggling to be happy. All were equipped with intellects capable of knowing the truth, capable of solving difficulties—just the same as the ear is capable of hearing sound, or the eye of seeing colors.

Unfortunately, the human intellect did not always grasp the truth. Often it became enmeshed in error. The mighty will of man that was made to strive for and obtain what is good was constantly reaching for things that were evil.

As a result, both individual and social life deteriorated.

Great philosophers and leaders tried their best to rectify the sad plight into which men had fallen. But all failed.\*

They failed because the cause of this intellectual and spiritual deterioration was more serious than they suspected — so serious that no human power was able to remove it.

We Christians describe this cause by the ugly word, "sin"—original sin and actual sins by which men rebel against God and choose to become followers of the Prince of Darkness; sin, which, in its first analysis, is an injustice committed against God, Who is infinite, by human creatures, who are finite.

Why, then, I ask, did Christ come down to earth to be True God and True Man and like us in all things, save sin?

There is the answer: "The Word became Flesh and dwelt amongst us primarily to satisfy the divine justice which had been outraged by sin. An infinite injustice had been committed; only an infinite price paid by an infinite person could satisfy it; and that infinite price was the life of the infinite Victim Who was part Man and part God.

That, my friends, is the brightest facet in this mystery of the Incarnation. It is the mystery of love itself — of infinite love!



If Christ is really God and at the same time really Man, are there two persons mingled mysteriously into one?

Is it a human person that Mary holds close to her breast?

Christianity teaches that she holds only one Person in her arms—a divine Person. Christianity teaches that there are two natures—a human nature and a divine nature—but only one Person, a divine Person.

Here I am using more or less ordinary words like "person" and "nature," which most of us take for granted that we understand thoroughly.

But permit me to mention that by the word "person" we mean one thing and by the words "human nature" we mean another thing. Without delving into the philosophy of all this, permit me to say that every human act, like sleeping, or eating, or walking or dying, which Christ performed—these were actions flowing from Christ's human nature. But they are all attributable to His divine person, which was responsible for everything He did, even as a Man. Consequently, because Christ's person is divine and because the human actions which he performed were actions of a divine person, therefore every human action of Christ is of infinite value—valuable enough to pay off the infinite price of our sins.

Your human actions are finite actions because you are a finite person.

But Christ's human actions were infinite actions because He is an infinite person.

There, my friends, is what philosophers might call a metaphysical mystery where two natures—a human nature and a divine nature—are concentrated in one divine person.

Before passing from the consideration of the mysteries surrounding Christ's birth, once more may I refer to the mystery of love, the theological mystery. No one will ever be able to sound the depths of God's love for us. It is true that we are His creatures—but what sinful creatures we have been!

In the first instance, God need never have created us. And, in the last instance, He need never have redeemed us; He need never have paid off the price of our infidelity and opened again the gates of heaven for us; He need never have left the joys of heaven and accepted the hardships of this life—its poverty, its calumny, its unjust accusations, its crucifixion and death. He need never have made us His brothers.

But all these things He did and sealed them with a multitude of accredited miracles to prove His divinity.

Thus, Christ is divine, and we know He is divine by the actions He performed.

O Gentle Babe, we will watch You grow to manhood. One time You will change water into wine; another time, You will calm the angry waters of Lake Genesareth; then You will multiply bread, cure the lepers, raise the dead to life; and, finally, You will be led a prisoner to Pilate's Hall. There you will be accused of blasphemy. You will be questioned: "Art Thou the Son of God?" and Your answer will be: "Destroy this Temple and in three days I will build it up again." Then You will be crucified; and on the third day after Your death, Your empty tomb, Your enemies and Your friends will witness the fact of Your resurrection.

Indeed, Gentle Babe, Thou art the Son of God! Thou alone art the joy of the world! Thou alone art its liberator and redeemer—True God and True Man in one divine Person!

In celebrating the feast of Christmas, let us remember that we are also celebrating the feast of peace.

The first Christmas was advertised to this world not only by the appearance of a bright star whose shining was visible to Wise Men living in a distant country, but also by the propaganda, if I may use the word correctly, broadcast by the angels in their hymn, "Glory to God in the highest and on earth, peace to men of good will."

As the birth record of Christ indicates, there was peace throughout the Roman Empire on this occasion. The armies had ceased marching and the battle cries were stilled. There was peace in the sense that there was no war. But there was no peace for the millions of slaves who had been dispossessed of their lands. There was no peace for the tribes, principalities and kingdoms which were forced to pay tribute to the exploitations of a Caesar. There was no peace in the hearts or minds of the Empire's population—a population which worshipped the nationalism of Jupiter, the militarism of Mars, the licentiousness of Venus and the terrors of Vulcan and his eternal hell.

"Peace, peace, and there was no peace," sounded the voice of the prophets of old.

There could be no peace unless it was ushered into the world by Christ Himself—by the same Christ Who, in later years, said

His disciples: "Peace I leave with you: my peace I give unto you: not as the world giveth, do I give unto you."

My friends and fellow citizens, believers in Jesus Christ, the feast day of Christmas should be for us the feast day of peace — of that peace which not only terminates the terrors of war but which brings to an end the slavery of insecurity, the bondage of exploitation and the horrors attendant upon doubt and despair.

Alas! 1938 Christmas days have come and gone! But this generation stands upon the threshold of another world war because we and our parents refuse to accept the conditions upon which Christ gives peace to the world.

The essential condition is that of good will; for He promised peace to men of good will — not to men who endeavor to substitute their wills for God's; not to nations which are content to follow the pattern of diplomacy and policy arrived at only by human reason. Good will is dependent upon good intellect; for what we choose; what we will; what we do with full knowledge, its goodness depends upon the accuracy of the knowledge.

Now it is not difficult for the trained mind of a pagan to reason out that God exists, because the world of intellect is overflowing with arguments to enable even the pagan to arrive at this conclusion.

But reason alone cannot arrive at the certainty that this Babe in Bethlehem is God; for the evidences of proof are seemingly contradictory — the poverty, the apparent contradiction of a virgin mother, and thousands of other barriers which impel unaided reason to say: "This cannot be God."

Not contrary to reason, but above it as far as the heavens are above the earth, God the Father instructed us through the miraculous prophecies that this Babe wrapped in the swaddling clothes of seeming contradiction is His Son despite all the impelling and visible tendencies on the part of fallible reason to cry out and say that this cannot be; and despite the inclination of the will to follow such erroneous reason.

In a previous instance, antedating the creation of man, Lucifer accepted God but, most likely, rejected belief in Jesus Christ, True God and Man. His "non-serviam," his bad will resulting from a proud intellect and his refusal to submit his proud intellect to God's revelations and decision precipitated him and his followers into the misery of hell; for he refused to accept the Father's testimony in behalf of His divine Son.

In the case of the modern world as in the former case of the angels during their period of probation, our destiny towards good or evil, towards prosperity or poverty, towards heaven or hell — this destiny is dependent not so much upon our accepting God Whose existence no trained, rational man disputes, but upon our accepting, on the prophetic word of His Father, a Baby as God; a Baby Boy surrounded with poverty; the same Baby Boy Who, when matured as a man, died on a cross surrounded by thieves.

To accept Him as such requires the faith of good will. Therefore peace on earth to men of good will becomes translated into language which reads: "Peace on earth to those who accept the Christ Child as God; who serve Him, and who follow His precepts in their logical application."

Everywhere — practically everywhere — pealing bells are sounding on snow-covered hills or in sun-kissed valleys where youthful voices carol the message of peace pronounced by angels to the shepherds of Judea — almost everywhere except Russia, Mexico and Loyalist Spain where Christian churches have been desecrated and where governments have spurned our Christ.

And almost everywhere — even in our own country — wars and rumors of wars fill the air. Why must all this be?

Because vicious propaganda, counter to that pronounced by the angels, sounds over radio and is multiplied in the press. Because our newspapers are strewn with anti-Christian propaganda of the war-mongers who are concerned not with advancing the kingdom of Christ, not with promoting the teachings of Christ, but with the expectancy of profits resulting from their policy of "non-serviam," the policy of ill-will, the policy of Lucifer.

Twenty years ago we fought a war to end all wars. Today the fields of Europe once more are clasping to their cold bosoms the mangled corpses of Christ's brothers. And tomorrow the little children gathered about the Christmas tree in your homes will be the victims of this policy of bad will — victims of propaganda preached by those who refuse to accept the Babe of Bethlehem.

Ah, but this is Christmas — the feast day also of those ambassadors who came from the court of heaven to offer peace and happiness to a heartsick world.

Did not these ambassadors — and the word "angel" means ambassador — did they not inform us that the condition upon which peace depends is good will?

Does not this good will mean God's will? And does not God's will imply that we accept as our Saviour, as our Messiah, as our God, the Babe of Bethlehem even though the crib, the poverty surrounding it, and ten thousand other circumstances cry out that, according to reason, this Child cannot be God?

Lucifer's proud intellect impelled him to say: "I will not serve." Christian reason, admitting the existence of mysteries which transcend all reason, bows down with the shepherds and whispers an act of faith!

Need we inquire if there can be peace by our joining hands with those who hate God, who reject His Christ and, therefore, publicly renounce their devotion to good will?

Pardon me for obtruding these obnoxious thoughts upon you this Christmas day. But it grieves me to think that some governments are so obsessed with the importance of their own might as to think that liberation from poverty, from disaster or from war can be found in collaborating with those who are opposed to the policies of the Prince of Peace.

But I suggest these thoughts because Christmas is the feast of little children, the feast of divine brotherhood.

Oh, Christ Child, nestled at Mary's breast, may the children of our America be spared the tortures of persecution and war!

May they be spared the needlessness of poverty and exploitation!

May they grow to sturdy manhood and womanhood in homes which enjoy the benedictions brought to men of good will more than nineteen hundred years ago!

Oh, Virgin Mother, mingle with the mothers of America this day! Tell them the story of your journey from Nazareth to Bethlehem. Tell them the story of the angels, the shepherds and the Wise Men. Tell them the story of the Christmas tree laden with its gifts—the green Christmas tree which is a harbinger of hope; the lighted Christmas tree which is the promise of understanding.

And say to them:

"Mothers, particularly do I appeal to you; for this, too, is your feast day. The dimpled hands, the curly head of your son are held close to your breast. Soon your little boy will step down from the throne of your knee to walk life's highway. May he walk that pathway side by side with his Elder Brother, my Son

to Gethsemane, to Calvary, if necessary, but not to Armageddon as a member of a battalion of death to sacrifice his life for any gospel except for the gospel of love which was born in the stable of Bethlehem on the first Christmas day."

And so, my friends, do we remember Christmas after 1938 years have passed.

In spirit, let us join with the choir in singing—

Come all ye faithful!

Come back to Christ!

Come back to the paths of peace!

Come back to the faith of our childhood day!



# Americanism — Neither Naziism Nor Communism

*Sunday, January 1, 1939*

The occasion of a New Year's discourse seems to suggest that we take inventory of the past and establish firm resolutions for the future.

The old year has gone. It has vanished as have the hopes which ushered it into being.

The new year is born. Although it falls heir to the disappointments and heartaches of 1938, nevertheless, we hope that it will be a wiser year—a year that will not only recognize the shortcomings of its predecessor, but will carry us forwards towards peace and prosperity.

For almost twenty years the world has been passing through a cycle of political and economic change that has been alarming to all patriots and Christians. Immediately following 1918, we witnessed the liquidation of several old forms of government. Russia repudiated its czarism. Italy accepted a rule of Fascism. A few years later German imperialism, after passing through the experiment of democracy, bowed before Adolf Hitler and his National Socialist Party.

Other nations evolved other changes, as in the instances of Turkey, Portugal and China. And still others held fast to the general pattern of their democratic traditions.

As a common denominator of all these dictatorships, either forcefully imposed upon the people by a very small minority, as in Russia, or freely accepted by them, as in the clear-cut case of Portugal—as a common denominator we find their origins traced to economic causes. In every instance the leaders and their followers who established a dictatorial form of government at the sacrifice of civil rights and liberties did so in order to obtain economic liberties which had been denied them. In every instance the blame for insufficient food, clothing and shelter was attributed to the old form of government. Thus, to obtain a sufficiency of life's economic necessities, economic individualism was discarded

and replaced by a form of collectivism. To accomplish this change, it was thought that a new form of government must supersede the old.

This twin revolution in politics and economics was accompanied by a social revolution which was manifest in two extremes. I refer to the internationalism of Communism and to the super-nationalism of Naziism. The proponents of the former, seeking a world-wide revolution, have as one of their main objectives the complete destruction of all nationalism and religion. The advocates of the latter support a theory of race superiority and individual nationalism to which is subordinated the supra-national activities of religion.

The year 1939 is not a new year in the sense that we have entered upon a new cycle. The next two or three years will witness the completion of this era whose last phase will be unfolded during this present year—a phase which will witness a mortal combat between Communism and Naziism.

As we enter 1939, we find civilization roughly divided, politically speaking, into three conflicting camps—the internationalism of Communism, the extreme nationalism of Naziism and the traditional democracy, for example, of America, Great Britain and France with their teeming populations of justly dissatisfied citizens.

On every hand nations are either at war or are busy arming against the inevitable day when Communism and Naziism meet in a battle unto death.

Russia boasts that it has 20-million soldiers together with ample resources, planes, munitions and supplies to defend the principles of Communism.

England, France, Germany, Italy and Belgium are working feverishly to equip their nationals with instruments of defensive and offensive war.

Spain is engaged in the most gruesome and destructive internecine struggle of all time.

China and Japan are pursuing the undisturbed course of an undeclared war.

Propagandists in all neutral nations are bending every effort to have their governments commit themselves to the side of Communism or of Naziism. Spokesmen, both official and unofficial, in our own country are intimating that we, too, must prepare to take sides in this impending struggle on one side or the other.

Pause to examine more closely the attitude of democratic America as we face this crisis. Unfortunately, many of our citizens entertain the opinion that American democracy must be sacrificed in order to gain economic security. More than that, these persons are willing to make definite commitments in favor of Naziism on the one hand, or of Communism on the other. Another group, influential in finance, radio, press and cinema, refuses to participate officially as a group in counteracting the spread of Communism but is most vigorous in condemning Naziism.

This perilous condition is deplorable; for no true American can entertain favor for either Communism or Naziism; no true American can refrain from forcefully condemning both these excesses, cost what it may, and no intelligent American can conclude that, to obtain economic redress, we must sacrifice our democracy.

However, we must face facts as we find them. We must admit that the pro-Communist sentiment in America is in the ascendancy, if we believe the public opinion poll conducted by Dr. George Gallup.

This condition was brought about chiefly through the instrumentality of newspaper and radio propaganda together with shallow thinking on the part of those who were exposed to it.

To promote this insidious campaign for enlisting the mass of Americans to favor the Moscow plan, our people are being deluged with accounts of Nazi atrocities—and scarcely a word is printed regarding Communist murders.

Just last week a local paper printed an official summary of the Communist murders in Spain, informing its readers in an inch and three-quarters article that 12,500 ministers of the gospel of Christ were murdered by the Loyalists, supporters of Stalinism. Three weeks previous to this, this same paper published articles page upon page lamenting a \$400-million fine imposed on 600,000 Jews by the Nazis in Germany.

Another paper insinuates that he who is an anti-Communist is an anti-Semite, even though he is also anti-Nazi. Our people are told that Communism is a form of democracy, and that Fascism and Naziism are outright tyrannies. But Americans are seldom warned that both these un-American forms of government must be stamped out peremptorily. They are seldom advised that the "free" speech of the Communist or the "free" speech of the Nazi may not be used to destroy the free speech of the American.

In the face of all this I ask calmly: "What of Americanism and our democracy? Is there no one to defend them?"

While the popular mind has been poisoned by the lethal gas of propaganda, we have witnessed the birth of numerous organizations against Naziism which are powerful and efficient. We have observed that personal derision has been poured upon every individual and organization established to combat Communism. And we have looked in vain during the past years for the appearance of a consolidated, determined organization to stamp out both of these irregularities and support the traditional democracy of Washington, Jefferson, Lincoln and Jackson, for which our ancestors suffered and died.

Again, I ask: "Is there no one to defend Americanism? Must the attention of sincere Americans be focused constantly upon these un-American heresies?" Is it not time, this New Year's Day, to organize courageously against both Communist and Nazi in our nation and drive them and their unconvertible supporters into Russia or Germany where they belong?

1939 and the years immediately following will witness the completion of the present cycle in which we are living—a cycle which will culminate only with victory for Communism or Naziism, or in the supremacy of Christian democracy over both.

The two political systems of totalitarianism — one a dictatorship of international godlessness and the other a dictatorship of national race supremacy; one a thorough-going form of atheism and the other a thorough-going form of state control of religion; one a notorious butcher of Christians and the other a notorious disparager of Jews — these two cannot exist together, nor can either one of them live within the confines of one nation with Christian democracy — Christian democracy, the regime of national liberty founded upon the moral code of God the Father and His divine Son, Jesus Christ. The United States of America is not large enough for both democracy and Communism or Naziism.

Therefore, it is to be hoped that this year will find the inarticulate, easy-going and long-suffering American public divorcing itself from the influences of propaganda and asserting itself most vigorously against Communism and its atheism; against Naziism and its exaggerated ideas of nationalism. Let us stand undivided for American Christian democracy even though this will necessitate stern action against the highly organized forces which are endeavoring to destroy our ideals—forces endeavoring to substitute for them either the brazen, godless internationalism of the Kremlin or the super-nationalistic theories of Berlin.

Americans fought a Civil War to preserve the unity of this nation. How many Americans are there this New Year's Day



who are willing to engage in a more important civil conflict, if necessary, to preserve the democratic liberties of this country?

Let those who are with us reap the rewards; let those who oppose us by their silence or their actions suffer the consequences. These are militant words. But it were cowardice to evade a definite issue when we witness the first results of the premeditated destruction surrounding us.

Before discussing the hysteria which is impelling our nation to participate in the world-wide race for supremacy in armaments and the tendency to cast our lot with the policies and destinies of foreign dictators, permit me to speak of the Munich Peace Pact and the events leading to it, for it has a bearing upon our future.

The most important single event which characterized 1938 was the Munich Peace Pact. And the most important man of the year was Neville Chamberlain, Premier of Great Britain, who made possible the Pact.

Immediately prior to the signing of the Peace Pact, the American press and radio shed oceans of tears over the possible partition of Czechoslovakia which, slowly but surely, was being communized by a band of atheists. Little or no publicity was given in the press or radio to Cardinal Kaspar's pastoral letter—Cardinal Kaspar, the primate of Czechoslovakia. In pathetic words he said:

"... in this country God was affronted by the pulling down of the memorable statues in the midst of our capital city... Idols were displayed before the nation for worship as the redeemers. Prominent public leaders dared not even mention the name of the true, loving God and our Saviour Jesus Christ in their utterances..."

"I do not wish to recall all that was done at that time to de-Christianize our nation, beginning with the youth in the schools. But it is a comforting fact that many people have since found and acknowledged those mistakes."

My fellow Americans, why did the press and radio deluge our nation with professional lamentation to the occasion of Czechoslovakia's partition? Was it their purpose to arouse our sympathies for an oppressed minority, or was it their design, if possible, to have England, France, America and Russia declare war against Germany—a war that would be safe, in a degree, for the agitators 3,000 miles distant in America but gruesome for the peoples of Europe?

Even though the partition was an injustice to be condemned,

what complaint did this same press and radio utter when the godless rulers of this victimized country stole the liberty of religion from the hearts of its people? Scarcely a word.

No wonder, then, that Cardinal Kaspar concluded his pastoral letter by saying:

"Was it not a heartbreaking announcement that was made at the International Godless Congress recently in London, that Czechoslovakia comes next, after Soviet Russia, in the number of organized godless propagandists?"

Holding no brief for the German acquisition of a portion of Czechoslovakia, which portion was nevertheless predominantly German, but merely referring to this incident which led up to the Munich Peace Pact, the year 1938 in American propaganda will be remembered for generations to come. Because of it, we were almost constrained to believe that England, France, Russia and the United States should declare war against Germany for this so-called aggression. Fantastic suggestions were heralded throughout the nation intimating that our own national security was in jeopardy, and that the British Empire was on the verge of collapse unless 20-million men should sacrifice their lives or their fortunes to sustain the godlessness of which Cardinal Kaspar officially complained.

We will also remember that above the din of this hymn of hate there emerged the clear, courageous voice of Neville Chamberlain which re-echoed the angel's song once sounded above Bethlehem's stable. He refused to be stampeded or coerced by propaganda. He chose peace, recognizing the futility of war.

To him and his Cabinet, more than to any other group of men in all this world, does this generation owe its gratitude. Had his mighty office as Premier been occupied by a fashion plate of radicalism, a world war—so greatly desired by the Communists and by their international supporters—would now be in progress. As a result of Chamberlain's action, Communism experienced a tremendous reversal in Europe. It was only a reversal, however—not a defeat—a reversal which necessitated a change in plans and tactics.

Thus, from Europe to America their base of operations was moved. To gain control of our America became the objective of the international radicals. To liquidate our democracy and substitute for it a dictatorship became their goal. Only America, so they decided, could turn the tide in favor of Stalin; only America could force the retirement of Chamberlain and his policies; only through the capture of this nation with its finance, its indus-



try and its power could there be realized the dreams of anti-Christ. America, so they believe, even now can force Britain and France to engage in a world war to assure an international victory for Communism.

My friends, if Communism and Naziism must come to grips, let America remember that she is beholden to neither one of them; let America remember the golden counsel of her first and greatest President which warns us today as it did yesterday to keep clear of foreign entanglements.

In these days when, according to propaganda, one is un-American if he is American; when one is anti-Semite if he is anti-Communist, it might be worthwhile to revive a paragraph or two printed in the Congressional Record of February 9, 1917.

In one sense 1939, with its violent pro-Communist propaganda, and 1917, with its outrageous atrocity stories, are somewhat related.

In 1917, the late Senator Caraway wrote into our official government records a statement which reads as follows:

"In March, 1915, the J. P. Morgan interests, the steel, shipbuilding, and powder interests, and their subsidiary organizations, got together 12 men high up in the newspaper world and employed them to select the most influential newspapers in the United States and a sufficient number of them to control generally the policy of the daily press of the United States.

"These 12 men worked the problem out by selecting 179 newspapers, and then began, by an elimination process, to retain only those necessary for the purpose of controlling the general policy of the daily press throughout the country. They found it was only necessary to purchase the policy, national and international, of these papers; an agreement was reached; the policy of the papers was bought, to be paid for by the month; an editor was furnished for each paper to properly supervise and edit information regarding the questions of preparedness, militarism, financial policies, and other things of national and international nature considered vital to the interests of the purchasers."

That is a part of the propaganda story of 1917.

The parallel now is evident. While no one is intimating that the house of J. P. Morgan and Company or any other financial house is advocating the cause of Communism through the press, 1939 will witness a very definite and determined effort on

the part of a certain group in America to pervert our democracy into a dictatorship—this to be accomplished through those who control the press through advertising. Be it submitted that a strong minority of the American press will remain American through and through. However, I am warning against only that group of publications which is willing to sacrifice patriotism for profits and nationalism for internationalism.

To most of you this prediction appears to be the utterance of an alarmist. Let me assure you that it is founded upon congressional fact. Its substance is founded upon several congressional bills now prepared, or in the process of preparation for passage during the forthcoming session of Congress. At this moment the citizens of the country are being conditioned to favor one of these bills by means of the propaganda of preparedness, of militarism and of fear of persecution which is being spread abroad.

While we readily admit the necessity of being prepared to wage successfully a defensive war; while we are glad that a suggestion made over this microphone four years ago to the effect that we should have at least 4,000 airplanes on the east coast and 4,000 airplanes on the west coast is at long last receiving attention—what nation, I ask, will be our aggressor?

Not Japan. Too many thousands of miles separate us from the Orient. Too many hundreds of ships would be required by the Nipponese to transport a million men with their necessary equipment and food and munitions.

Not Germany. Russia's 20-million troops would seize an opportunity long awaited if a million German soldiers were to leave the soil of the Fatherland for offensive warfare in North or South America.

Not Great Britain. This is a friendly nation.—Our destinies are too interwoven for any serious hostility to originate from that source to cause us consternation.

Why, then, is 1939 ushered into America with a fanfare of militarism; America that is almost self-sufficient; America that is on brotherly terms with Canada and friendly terms with South America? If all this armament is not required for a defensive warfare, must we conclude that we are preparing for an offensive war? Let us weigh this question.

To it, there is only one of two answers: It may be a plan on the part of a government which has failed to break the back of the depression through consumer expenditures to launch a gigantic campaign of producer expenditures. In other words, the policy

of extending doles to the farmers, to the working man and to the jobless has failed. Now expenditures for destructive purposes—for battleships, munitions, fortifications, military equipment—will be engaged in to give work to the idle, satisfaction to the war-mongers, profits to the munition manufacturers, bonds to the bankers and joy to the hearts of those who are under the impression that we are preparing to launch an American armada of destruction against Germany, Italy, Spain and Portugal.

The other answer—the more likely reason for all this propaganda for military preparedness and war expenditures—originates with those powerful internationalists who are determined to line us up with the Communists in the impending European war. They have consistently sympathized with the policies of Stalin. They have not only constantly attacked the policies of Hitler and Mussolini, but they have unremittently endeavored to picture American democracy as an obsolete form of government for which there should be substituted a centralized rule controlled by those who control the nerve center of this nation. These are they, I believe, who are most responsible for the war hysteria.

The embers of this hysteria have been fanned into flame recently by the propaganda of persecution—a persecution which in reality never equalled by one one-thousandth the atrocities which were perpetrated against the millions of Christians trampled to death under the steel heel of the commissars of Russia. Nevertheless, it was a convenient persecution, even though it was unjust.

Thus, beneath the cloak of an outraged justice that was so well publicized recently, the international war mongers hide the sword of revenge—even though the cost of unsheathing it will entail the destruction of countless properties, the loss of millions of lives and the dissolution of American democracy.

My friends, have we not learned that modern wars settle no disputes?

By this time are we not disillusioned? Do we not realize that wars are the enemy of democracy? Do we not appreciate that poor men—the laborers and farmers—pay for all wars—pay with their lives or their liberties?

I ask you: "Shall we engage in another <sup>WWI</sup> European war to make the world safe for Stalin and for anti-Christ?"

Recollect that during the World War there was more actual increase of centralized power in Washington than in the previous one hundred years and more of our government's existence, with a resultant loss of political and economic liberty. According

to Senator Bennett Champ Clark, writing in the month's "Country Gentleman Magazine":

"Troops were levied, not through the states as in previous wars but by the direct action and authority of the Federal Government. Control of production, distribution and price of commodities was undertaken from Washington on a basis and scale never dreamt of before. Not only local officials but governors of states as well were called on the telephone from the nation's capitol and brusquely informed what they could and could not do. For the first time in American history the people were ordered from Washington when to sow and when to reap—a situation which Thomas Jefferson had cannily predicted long before its existence—a situation that would cause the people to 'soon want bread'."

Oh how many of those who applauded our entrance into the World War lived to "soon want bread"; lived to become wards of the Federal Government on the W.P.A.?

During the time of the World War to which Senator Clark refers a great part of our economic destiny was in the hands of Bernard Baruch who, more than any other citizen, was responsible for centralized power under the title of the Chairman of the War Industries Board, member of the Advisory Commission of National Defense and Chairman of its Committee on Raw Materials, Minerals and Metals.

The parallel of 1939 to 1917 becomes more apparent when we review the several bills soon to be presented to Congress for the purpose of centralizing all power, all industry, all commerce and all American activity in the hands of a small group of unelected men at Washington with, possibly, Mr. Baruch as the presidential appointee to supervise the so-called military preparedness.

I have before me a House of Representatives Bill No. 9604. It is popularly known as the May Bill and is one of several bills of the same ilk favored by the present Administration for passage during this coming session. It is divided into eleven sections and reads, in part, as follows:

Section 1: "That whenever Congress shall declare war the President is authorized to determine and publicly proclaim it to be unlawful to buy, sell, lease, or otherwise contract for any article, service, or right or interest in property, enumerated in such proclamation, or proclamations, at a higher rate, rent, price, commission, compensation, or reward than was in effect at a date or dates determined and set forth in such proclamation or proclamations."



In other words, this Bill gives the President of the United States the absolute and sole power to set prices and determine profits of any article directly or indirectly used for military purposes.

Section 2 gives the President power to readjust prices and profits whensoever he pleases if he sees the prices and profits determined in Section 1 are not satisfactory to him.

Section 3: "During such time of war the President is authorized to determine and publicly proclaim from time to time the material resources, industrial organizations, public services, and security or commodity exchanges over which Government control, including requisitioning materials for use or resale by the Government, shall then be necessary. Thereupon such control shall be exercised by the President to the extent determined and publicly proclaimed by him to be necessary, and subject to such conditions, exemptions, rules, and regulations as he may prescribe and publicly proclaim."

This bill, therefore, plans to give the President full power to commandeer, requisition, seize or confiscate all material resources, public services and commodity exchanges, farms and factories which, in his judgment, shall be required by the government.

Section 4 of the Bill reads: "That in the event of war declared by Congress, which in the judgment of the President demands the immediate increase of the military establishment, the President be, and he is hereby, authorized to draft into the military service of the United States such members of the un-organized militia between the ages of twenty-one and thirty-one as he may deem necessary, subject to such conditions, exceptions, rules, and regulations as the President may prescribe and publicly proclaim."

Section 5 plans to give the President power to register "any or all individuals engaged in the management or control of any industrial establishment designated by him. Individuals registered pursuant to the provisions of this section may be required to enter into the service of the Government as civilians for the duration of the war under such rules and regulations as the President may prescribe."

Section 6 reads: "During such time of war the President is authorized from time to time to determine, and to publicly proclaim, what classes of public service, real and personal property, or rights or interests therein, and what classes of

owners, dealers, exporters, importers, manufacturers, or producers of any article or commodity shall be required to operate or to be operated under licenses, to fix the conditions of such licenses, and to grant licenses under such conditions" . . .

In other words this is the superlative dream of a Moscow mind to license every industry and business and profession. It empowers an individual with the control of every gainful activity from the manufacture of a warship to the selling of a bag of peanuts.

Section 7 of this iniquitous proposal gives absolute, dictatorial power to the President and to the President alone for determining the priority in which any owner, or manufacturer, or producer, or farmer shall fill orders or transport or deliver anything or furnish power or service of any kind—the same dictatorial power enjoyed by Joseph Stalin and his predecessors when they forbade food to be shipped into the Ukraine because the Ukrainians were not favorable to the Soviet policies.

Section 8 is a most revealing part of this legislation. It reads as follows:

"As used in this Act, the term 'in time of war' shall mean the time intervening between the declaration of war by Congress and the passage by Congress of a resolution that such war has terminated."

Section 9 would empower the President for the duration of war to appoint such agencies, boards, or commissions to accomplish the purposes of this act. Moreover, it gives him dictatorial authority to transfer executive agencies, bureaus and divisions thereof to any government official in these United States.

Section 10 designates the fines and punishments to be imposed upon all those who in any way become guilty of a misdemeanor in connection with this Act.

Section 11 proposes that "During any war in which the United States may be engaged there shall be in effect a system of taxation which shall absorb all profits above a fair normal return to be fixed by Congress."

My friends, this is startling information to the majority of Americans who are living in a fool's paradise, imagining that this democracy of ours is unassailed from within its own walls when, on the very door-step of this year 1939, four or five bills similar to the one which I have condensed for you, are prepared to destroy; to hurl us into a hell of war on the side of Communism



and to establish a dictatorial form of government—a dictatorial form of government which, upon the passage of this or a similar bill, goes into effect not when war is actually engaged in but when any war is even declared—even a war declared against the cotton pickers in Alabama, or the Eskimos at the North Pole region.

But more pertinent to the declaration of war is the following:

During 1938 the government of Mexico confiscated certain properties belonging to American citizens. These properties have not been restored to their rightful owners. In fact, the State Department was milder in its protest to the Cardenas government than it was in its recent answer to the German government which has confiscated no American properties.

And only a few days ago the son of the President of the United States, in a radio address, informed the American public that it is obvious something must be done relative to Mexico. He said: "Mexico has acted, but as yet the United States Government has not begun to act."

Is it possible, or is it only fantastic, that after the passage of one of these war bills to which I am referring, a pretext for enforcing it shall be found in declaring war against Mexico for the restoration of American property—a communistic Mexico, the harbinger of Trotsky, who may be playing hand-in-glove with those in the United States who are desirous of creating a dictatorship?

Please God, may these be idle speculations. However, be they founded on fear or fact, one policy is certain for Americans:

Let us serve notice on the internationalists that we respect Washington's counsel of no foreign entanglements; that henceforth, we will observe strict neutrality, not permitting the Stars and Stripes to fly from a ship's masthead that carries munitions in her hold; that we will not infringe upon the laws of good neighborliness by repeating our recent error of loaning \$25-million to China now engaged in war with Japan; that we will not permit young radicals to be regimented here to fight for the cause of Communist Spain.

And at this juncture, may I pause to inform you that of all the nations in the world supporting or recognizing the Communist Loyalists in Spain there are only three, namely, Russia, France and the United States. Every other nation of importance, including Great Britain, the largest, and the Vatican State, the smallest, has recognized General Franco's government either *de jure* or *de facto*—and rightfully so because Franco's government controls practically three-quarters of the territory of Spain.

Again I ask you: "Is there no voice to be raised for America and democracy, for America, and for our traditions?" Most assuredly there is. There are millions of God-fearing, America-loving citizens who are neither joiners nor factionalists—men who are content to sit serenely by their firesides with their families—men, who in a crisis prove to be the bravest of all. Those men and their families will rise during this year 1939 to keep America safe for Americans and the Stars and Stripes the defender of God!

So this is 1939. Possibly—yes, probably, Europe will be in war by 1940. The forces of Naziism and Communism will clash in mortal combat. America must stand aloof!

At home there are still 12-million men out of work. We will not liquidate them by teaching them how to manufacture poison gas or shrapnel or by dressing them up as targets for enemy machine guns. Rather, we will turn our minds to solving the industrial and agricultural problems which confront us. From European wars, America must stand aloof!

This is 1939. As yet the billions of dollars loaned to Europeans to conduct the last war remain unpaid. We will not loan these nations more billions and more lives—and reap more death, a greater depression and the loss of democracy. America must stand aloof!

This is 1939. Now we are being conditioned to take sides either for or against Communism; for or against Naziism with scarcely a word spoken in defense of Americanism. When shall Americans cry down the propagandists and turn their attention to America? From European wars, America must stand aloof!

In three or four weeks—possibly three or four months—the opportune time will arrive when every citizen who stands for Americanism, for the Constitution and for liberty must be prepared to support his Congressman in voting out of existence the dictatorial bills which are now prepared on the pretext of national defense.

1939 finds Americans standing at the barricades of liberty. Behind us stretch 162 years of freedom. Before us yawns a vortex of national doom. Behind us are five generations of civil and industrial growth. Before us beckons the spectre of commercial decay and industrial slavery. Behind us have rolled sixteen decades of religious freedom under the Bill of Rights and democracy. Before us stands, gaunt and threatening, the ogre of intolerance, of hate and of war. It is within our power to make the future as glorious as the past. But the future depends upon the answer to the question: "Shall we participate in a European war and de-

generate into dictatorship, or shall we organize to preserve democracy and keep clear of foreign entanglements?"

In its current issue "*The Brooklyn Tablet*" says editorially:

"War advocates and international meddlers will be particularly active in Washington next week. A 'Lift-the-embargo-on-Spain' convention will be held. In addition, the 'American League for Peace and Democracy' — an outfit which like the late Mr. Coster hides its racket under an assumed name—will convene and engage in its usual activities of promoting Communism, through attacking 'Fascism', thus misleading the public.

"The general theme of the two conventions will be to lift the embargo on Spain. Just now when our nation tenders its sympathy to the persecuted in Germany, these zealots have the effrontery to demand that arms and ammunitions be sent to the persecutors of Christians in Spain. The advocates of 'collective security,' the stooges for Stalin, demand we act to save a tottering regime that has denied every human right to the Spanish people. "*The Tablet*" voices the protests of thousands of Christian Americans against putting across this infamous deal. We base our protests on these grounds:

"1. The United States shall not abandon its traditional program of neutrality and shall not mix into a foreign war.

"2. We shall not go into the BLOOD BUSINESS, accepting coin so that men, women and children can be murdered. We shall not bow down to the lordly, greedy munition makers who are in great glee, verging on shouting joy, as they vision the hope somebody may lead the nation into another war.

"3. We shall not become the tools of the internationalists who drove us into the last war and who believe the United States will go abroad to fight Germany, Italy, Spain and Japan."

This is America—a reawakened America—an America that stands one hundred per cent for Americanism—an America that will have no patience either with Naziism or Communism; an America that still stands by the traditions of our forefathers—traditions of liberty, traditions of godliness, traditions upon which we must establish a sane, Christian nationalism. From European entanglements; from Naziism, Communism and their future wars, America must stand aloof!

# ATHEISTIC COMMUNISM

ENCYCLICAL LETTER  
(Divini Redemptoris)

OF

HIS HOLINESS, POPE PIUS XI

(Vatican Press Translation)

ISSUED MARCH 19, 1937

RADIO LEAGUE OF THE LITTLE FLOWER

ROYAL OAK, MICHIGAN

# Encyclical Letter

(Divini Redemptoris)

TO THE PATRIARCHS, PRIMATES, ARCHBISHOPS,  
BISHOPS AND OTHER ORDINARIES IN PEACE  
AND COMMUNION WITH THE APOSTOLIC SEE.

## On Atheistic Communism

POPE PIUS XI

VENERABLE BRETHREN,  
HEALTH AND APOSTOLIC BLESSING:

THE promise of a Redeemer brightens the first page of the history of mankind, and the confident hope aroused by this promise softened the keen regret for a paradise which had been lost. It was this hope that accompanied the human race on its weary journey, until in the fullness of time the expected Saviour came to begin a new universal civilization, the Christian civilization, far superior even to that which up to this time had been laboriously achieved by certain more privileged nations.

2. Nevertheless, the struggle between good and evil remained in the world as a sad legacy of the original fall. Nor has the ancient tempter ever ceased to deceive mankind with false promises. It is on this account that one convulsion following upon another has marked the passage of the centuries, down to the revolution of our own days. This modern revolution, it may be said, has actually

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Encyclical Letter of Pope Pius XI

on

"ATHEISTIC COMMUNISM"

Published by

REV. CHAS. E. COUGHLIN

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Prices:

Single Copies, 10c; 50 Copies, \$2.50; 100 Copies, \$4.50  
(Postage Extra)



broken out or threatens everywhere, and it exceeds in amplitude and violence anything yet experienced in the preceding persecutions launched against the Church. Entire peoples find themselves in danger of falling back into a barbarism worse than that which oppressed the greater part of the world at the coming of the Redeemer.

3. This all too imminent danger, Venerable Brethren, as you have already surmised, is bolshevistic and atheistic Communism, which aims at upsetting the social order and at undermining the very foundation of Christian civilization.

## I

## ATTITUDE OF THE CHURCH TOWARDS COMMUNISM

### PREVIOUS CONDEMNATIONS

4. In the face of such a threat, the Catholic Church could not and does not remain silent. This Apostolic See, above all, has not refrained from
- (a) raising its voice, for it knows that its proper and social mission is to defend truth, justice and all those eternal values which Communism ignores or attacks. Ever since the days when groups of "intellectuals" were formed in an arrogant attempt to free civilization from the bonds of morality and religion, Our Predecessors overtly and explicitly
- (b) drew the attention of the world to the consequences of the de-Christianization of human society. With reference to Communism, Our Venerable Predecessor, Pius IX, of holy memory, as early as 1846 pronounced a solemn condemnation, which he confirmed in the words of the Syllabus directed against "that infamous doctrine of so-called Communism which is absolutely contrary to the natural law itself, and if once adopted would utterly destroy the rights, property and possessions of all men, and even society itself."<sup>1</sup> Later on, another of Our Predecessors, the immortal Leo XIII, in his Ency-

<sup>1</sup> Encycl. *Qui Pluribus*, Nov. 9, 1846 (*Acta Pii IX*, Vol. I, p. 13). Cf. *Syllabus*, IV, (A. A. S., Vol. III, p. 170).

clical, *Quod Apostolici Muneris*, defined Communism as "the fatal plague which insinuates itself into the very marrow of human society and bring about its ruin."<sup>2</sup> With clear intuition pointed out that the atheistic movements existing among the masses of the Machine Age had their origin in that school of philosophy which for centuries had sought to divorce science from the Faith and of the Church.

#### ACTS OF PRESENT PONTIFICATE

5. During Our Pontificate We, too, have frequently and with urgent insistence denounced the current trend to atheism which is alarmingly the increase. In 1924, when Our relief-mission returned from the Soviet Union, We condemned Communism in a special Allocution<sup>3</sup> which We addressed to the whole world. In Our Encyclical *Miserentissimus Redemptor*,<sup>4</sup> *Quadragesimo Anno*,<sup>5</sup> *In Caritate Christi*,<sup>6</sup> *Acerba Animi*,<sup>7</sup> *Dilecti Nobis*,<sup>8</sup> We raised a solemn protest against the persecutions unleashed in Russia, in Mexico and in Spain. Our two Allocutions of last year, the first on the occasion of the opening of the International Catholic Press Exposition, and the second during Our audience to the Spanish refugees, along with Our message of last Christmas, have evoked

<sup>2</sup> Encycl. *Quod. Apostolici Muneris*, Dec. 28, 1878 (*Acta*) XIII, Vol. I, p. 46).

<sup>3</sup> Dec. 18, 1924: A. A. S., Vol. XVI (1924), pp. 494, 495.

<sup>4</sup> May 8, 1928: A. A. S., Vol. XX (1928), pp. 165-178.

<sup>5</sup> May 15, 1931: A. A. S., Vol. XXIII (1931), pp. 177-228.

<sup>6</sup> May 3, 1932: A. A. S., Vol. XXIV (1932), pp. 177-191.

<sup>7</sup> Sept. 29, 1932: A. A. S., Vol. XXIV (1932), pp. 321-331.

<sup>8</sup> June 3, 1933: A. A. S., Vol. XXV (1933), pp. 261-274.

a world-wide echo which is not yet spent. In fact, the most persistent enemies of the Church, who from Moscow are directing the struggle against Christian civilization, themselves bear witness, by their unceasing attacks in word and act, that even to this hour the Papacy has continued faithfully to protect the sanctuary of the Christian religion, and that it has called public attention to the perils of Communism more frequently and more effectively than any other public authority on earth.

#### NEED OF ANOTHER SOLEMN PRONOUNCEMENT

6. To Our great satisfaction, Venerable Brethren, you have, by means of individual and even joint pastoral Letters, accurately transmitted and explained to the Faithful these admonitions. Yet despite Our frequent and paternal warning, the evil only grows greater from day to day because of the pressure exerted by clever agitators. Therefore We believe it to be Our duty to raise Our voice once more, in a still more solemn missive, in accord with the tradition of this Apostolic See, the Teacher of Truth, and in accord with the desire of the whole Catholic world, which makes the appearance of such a document but natural. We trust that the echo of Our voice will reach every mind free from prejudice and every heart sincerely desirous of the good of mankind. We wish this the more because Our words are now receiving every confirmation from the spectacle of the bitter fruits of subversive ideas, which We foresaw and

foretold, and which are in fact multiplying fearfully in the countries already stricken, or threatening every other country of the world.

7. Hence We wish to expose once more in a brief synthesis the principles of atheistic Communism as they are manifested chiefly in bolshevism. We wish also to indicate its method of action and to contrast with its false principles the clear doctrine of the Church, in order to inculcate anew and with greater insistence the means by which the Christian civilization, the true *civitas humana*, can be saved from the satanic scourge, and not merely saved, but better developed for the well-being of human society.

## II

## COMMUNISM IN THEORY AND PRACTICE

## DOCTRINE

8. The Communism of today, more emphatically than similar movements in the past, conceals in itself a false messianic idea. A pseudo-ideal of justice, of equality and fraternity in labor impregnates all its doctrine and activity with a deceptive mysticism, which communicates a zealous and contagious enthusiasm to the multitudes entrapped by delusive promises. This is especially true in an age like ours, when unusual misery has resulted from the unequal distribution of the goods of this world. This pseudo-ideal is even boastfully advanced as if it were responsible for a certain economic progress. As a matter of fact, when such progress is at all real, its true causes are quite different, as, for instance, the intensification of industrialism in countries which were formerly almost without it, the exploitation of immense natural resources, and the use of the most brutal methods to insure the achievement of gigantic projects with a minimum of expense.

b) 9. The doctrine of modern Communism, which is often concealed under the most seductive trap-pings, is in substance based on the principles of dialectical and historical materialism previously advocated by Marx, of which the theoreticians of



bolshivism claim to possess the only genuine interpretation. According to this doctrine, there is in the world only one reality, matter, the blind forces of which evolve into plant, animal and man. Even human society is nothing but a phenomenon and form of matter, evolving in the same way. By a law of inexorable necessity and through a perpetual conflict of forces, matter moves towards the final synthesis of a classless society. In such a doctrine, as is evident, there is no room for the idea of God; there is no difference between matter and spirit, between soul and body; there is neither survival of the soul after death nor any hope in a future life. Insisting on the dialectical aspect of their materialism, the Communists claim that the conflict which carries the world towards its final synthesis can be accelerated by man. Hence they endeavor to sharpen the antagonisms which arise between the various classes of society. Thus the class-struggle, with its consequent violent hate and destruction, takes on the aspects of a crusade for the progress of humanity. On the other hand, all other forces whatever, as long as they resist such systematic violence, must be annihilated as hostile to the human race.

10. Communism, moreover, strips man of his liberty, robs human personality of all its dignity, and removes all the moral restraints that check the eruptions of blind impulse. There is no recognition of any right of the individual in his relations to the collectivity; no natural right is accorded to

human personality, which is a mere cog-wheel in the Communist system. In man's relations with other individuals, besides, Communists hold the principle of absolute equality, rejecting all hierarchy and divinely-constituted authority, including the authority of parents. What men call authority and subordination is derived from the community as its first and only font. Nor is the individual granted any property rights over material goods or the means of production, for inasmuch as these are the source of further wealth, their possession would give one man power over another. Precisely on this score, all forms of private property must be eradicated, for they are at the origin of all economic enslavement.

11. Refusing to human life any sacred or spiritual character, such a doctrine logically makes of marriage and the family a purely artificial and civil institution, the outcome of a specific economic system. There exists no matrimonial bond of a juridico-moral nature that is not subject to the whim of the individual or of the collectivity. Naturally, therefore, the notion of an indissoluble marriage-tie is scouted. Communism is particularly characterized by the rejection of any link that binds woman to the family and the home, and her emancipation is proclaimed as a basic principle. She is withdrawn from the family and the care of her children, to be thrust instead into public life and collective production under the same conditions as man. The care of home and children then devolves upon the collectivity. Finally, the right of education is denied to parents, for it is conceived as the

exclusive prerogative of the community, in whose name and by whose mandate alone parents may exercise this right.

(g) 12. What would be the condition of a human society based on such materialistic tenets? It would be a collectivity with no other hierarchy than that of the economic system. It would have only one mission: the production of material things by means of collective labor, so that the goods of this world might be enjoyed in a paradise where each would "give according to his powers" and would "receive according to his needs." Communism recognizes in the collectivity the right, or, rather, unlimited discretion, to draft individuals for the labor of the collectivity with no regard for their personal welfare; so that even violence could be legitimately exercised to dragoon the recalcitrant against their wills. In the Communistic commonwealth morality and law would be nothing but a derivation of the existing economic order, purely earthly in origin and unstable in character. In a word, the Communists claim to inaugurate a new era and a new civilization which is the result of blind evolutionary forces culminating in a humanity without God.

(h) 13. When all men have finally acquired the collectivist mentality in this Utopia of a really classless society, the political State, which is now conceived by Communists merely as the instrument by which the proletariat is oppressed by the capitalists, will have lost all reason for its existence and

will "wither away." However, until that happy consummation is realized, the State and the powers of the State furnish Communism with the most efficacious and most extensive means for the achievement of its goal.

14. Such, Venerable Brethren, is the new gospel which bolshevistic and atheistic Communism offers the world as the glad tidings of deliverance and salvation! It is a system full of errors and sophisms. It is in opposition both to reason and to Divine Revelation. It subverts the social order, because it means the destruction of its foundations; because it ignores the true origin and purpose of the State; because it denies the rights, dignity and liberty of human personality.

#### SPREAD OF COMMUNISM EXPLAINED

(i) 15. How is it possible that such a system, long since rejected scientifically and now proved erroneous by experience, how is it, We ask, that such a system could spread so rapidly in all parts of the world? The explanation lies in the fact that too few have been able to grasp the nature of Communism. The majority, instead, succumb to its deception, skilfully concealed by the most extravagant promises. By pretending to desire only the betterment of the condition of the working classes, by urging the removal of the very real abuses chargeable to the liberalistic economic order, and by demanding a more equitable distribution of this world's goods (objectives entirely and undoubtedly legitimate), the Communist takes advantage of the present world-wide economic crisis to draw

into the sphere of his influence even those sections of the populace which on principle reject all forms of materialism and terrorism. And as every error contains its element of truth, the partial truths to which We have referred are astutely presented according to the needs of time and place, to conceal, when convenient, the repulsive crudity and inhumanity of Communistic principles and tactics. Thus the Communist ideal wins over many of the better-minded members of the community. These, in turn, become the apostles of the movement among the younger intelligentsia who are still too immature to recognize the intrinsic errors of the system. The preachers of Communism are also proficient in exploiting racial antagonisms and political divisions and oppositions. They take advantage of the lack of orientation characteristic of modern agnostic science in order to burrow into the universities, where they bolster up the principles of their doctrine with pseudo-scientific arguments.

- (j) 16. If we would explain the blind acceptance of Communism by so many thousands of workmen, we must remember that the way had been already prepared for it by the religious and moral destitution in which wage-earners had been left by liberal economics. Even on Sundays and holy days, labor-smits were given no time to attend to their essential religious duties. No one thought of building churches within convenient distance of factories, nor of facilitating the work of the priest. On the contrary, laicism was actively and persistently promoted, with the result that we are now reaping the

fruits of the errors so often denounced by Our Predecessors and by Ourselves. It can surprise no one that the Communistic fallacy should be spreading in a world already to a large extent de-Christianized.

- (k) 17. There is another explanation for the rapid diffusion of the Communistic ideas now seeping into every nation, great and small, advanced and backward, so that no corner of the earth is free from them. This explanation is to be found in a propaganda so truly diabolical that the world has perhaps never witnessed its like before. It is directed from one common center. It is shrewdly adapted to the varying conditions of diverse peoples. It has at its disposal great financial resources, gigantic organizations, international congresses, and countless trained workers. It makes use of pamphlets and reviews, of cinema, theater and radio, of schools and even universities. Little by little it penetrates into all classes of the people and even reaches the better-minded groups of the community, with the result that few are aware of the poison which increasingly pervades their minds and hearts.

- (l) 18. A third powerful factor in the diffusion of Communism is the conspiracy of silence on the part of a large section of the non-Catholic press of the world. We say conspiracy, because it is impossible otherwise to explain how a press usually so eager to exploit even the little daily incidents of life has been able to remain silent for so long about the



horrors perpetrated in Russia, in Mexico and even in a great part of Spain; and that it should have relatively so little to say concerning a world organization as vast as Russian Communism. This silence is due in part to short-sighted political policy, and is favored by various occult forces which for a long time have been working for the overthrow of the Christian Social Order.

#### SAD CONSEQUENCES

19. Meanwhile the sorry effects of this propaganda are before our eyes. Where Communism has been able to assert its power—and here We are thinking with special affection of the people of (m) Russia and Mexico—it has striven by every possible means, as its champions openly boast, to destroy Christian civilization and the Christian religion by banishing every remembrance of them from the hearts of men, especially of the young. Bishops and priests were exiled, condemned to forced labor, shot and done to death in inhuman fashion; laymen suspected of defending their religion were vexed, persecuted, dragged off to trial and thrown into prison.

(n) 20. Even where the scourge of Communism has not yet had time enough to exercise to the full its logical effect, as witness Our beloved Spain, it has, alas, found compensation in the fiercer violence of its attack. Not only this or that church or isolated monastery was sacked, but as far as possible every church and every monastery was destroyed. Every vestige of the Christian religion was eradicated,

even though intimately linked with the rarest monuments of art and science. The fury of Communism has not confined itself to the indiscriminate slaughter of Bishops, of thousands of priests and religious of both sexes; it searches out above all those who have been devoting their lives to the welfare of the working classes and the poor. But the majority of its victims have been laymen of all conditions and classes. Even up to the present moment, masses of them are slain almost daily for no other offense than the fact that they are good Christians or at least opposed to atheistic Communism. And this fearful destruction has been carried out with a hatred and a savage barbarity one would not have believed possible in our age. No man of good sense, nor any statesman conscious of his responsibility can fail to shudder at the (o) thought that what is happening today in Spain may perhaps be repeated tomorrow in other civilized countries.

21. Nor can it be said that these atrocities are (p) a transitory phenomenon, the usual accompaniment of all great revolutions, the isolated excesses common to every war. No, they are the natural fruit of a system which lacks all inner restraint. Some restraint is necessary for man considered either as an individual or in society. Even the barbaric peoples had this inner check in the natural law written by God in the heart of every man. And where this natural law was held in higher esteem, ancient nations rose to a grandeur that still fascinates—more than it should—certain superficial students

of human history. But tear the very idea of God from the hearts of men, and they are necessarily urged by their passions to the most atrocious barbarity.

22. This, unfortunately, is what we now behold. For the first time in history we are witnessing a (q) struggle, cold-blooded in purpose and mapped out to the least detail, between man and "all that is called God."<sup>9</sup> Communism is by its nature anti-religious. It considers religion as "the opiate of the people" because the principles of religion which speak of a life beyond the grave dissuade the proletariat from the dream of a Soviet paradise which is of this world.

23. But the law of nature and its Author cannot be flouted with impunity. Communism has not been able, and will not be able, to achieve its objectives even in the merely economic sphere. It is true that in Russia it has been a contributing factor in rousing men and materials from the inertia of centuries, and in obtaining by all manner of means, often without scruple, some measure of material success. Nevertheless We know from reliable and even very recent testimony that not even there, in spite of slavery imposed on millions of men, has Communism reached its promised goal. After all, even the sphere of economics needs some morality, some moral sense of responsibility, which can find no place in a system so thoroughly materialistic as Communism. Terrorism is the only possible sub-

stitute, and it is terrorism that reigns today in (r) Russia, where former comrades in revolution are exterminating each other. Terrorism, having failed despite all to stem the tide of moral corruption, cannot even prevent the dissolution of society itself.

#### FATHERLY CONCERN FOR OPPRESSED RUSSIANS

24. In making these observations it is no part of Our intention to condemn *en masse* the peoples of the Soviet Union. For them We cherish the warmest paternal affection. We are well aware that not a few of them groan beneath the yoke imposed on them by men who in very large part are strangers to the real interests of the country. We recognize that many others were deceived by fallacious hopes. We blame only the system, with its authors and (s) abettors who considered Russia the best-prepared field for experimenting with a plan elaborated decades ago, and who from there continue to spread it from one end of the world to the other.

<sup>9</sup> Cf. *Thessalonians*, II, 4.

## III

DOCTRINE OF THE CHURCH IN  
CONTRAST

25. We have exposed the errors and the violent, deceptive tactics of bolshevistic and atheistic Communism. It is now time, Venerable Brethren, to contrast with it the true notion, already familiar to you, of the *civitas humana* or human society, as taught by reason and Revelation through the mouth of the church, *Magistra Gentium*.

## GOD THE SUPREME REALITY

26. Above all other reality there exists one supreme Being: God, the omnipotent Creator of all things, the all-wise and just Judge of all men. This supreme reality, God, is the absolute condemnation  
(a) of the impudent falsehoods of Communism. In truth, it is not because men believe in God that He exists; rather because He exists do all men whose eyes are not deliberately closed to the truth believe in Him and pray to Him.

MAN AND FAMILY ACCORDING TO REASON  
AND FAITH

27. In the Encyclical on Christian Education<sup>10</sup> We explained the fundamental doctrine concerning man as it may be gathered from reason and  
(b) Faith. Man has a spiritual and immortal soul. He

<sup>10</sup> Encycl. *Divini Illius Magistri*, Dec. 31, 1929 (A. A. S., Vol. XXII, 1930, pp. 40-86).

is a person, marvelously endowed by his Creator with gifts of body and mind. He is a true "microcosm," as the ancients said, a world in miniature, with a value far surpassing that of the vast inanimate cosmos. God alone is his last end, in this life and the next. By sanctifying grace he is raised to the dignity of a son of God, and incorporated into the Kingdom of God in the Mystical Body of Christ. In consequence he has been endowed by God with many and varied prerogatives: the right

(c) to life, to bodily integrity, to the necessary means of existence; the right to tend toward his ultimate goal in the path marked out for him by God; the right of association and the right to possess and use property.

28. Just as matrimony and the right to its natural use are of divine origin, so likewise are the constitution and fundamental prerogatives of the family fixed and determined by the Creator. In the Encyclical on Christian Marriage<sup>11</sup> and in Our other Encyclical on Education, cited above, we have treated these topics at considerable length.

## NATURE OF SOCIETY

29. But God has likewise destined man for civil  
(d) society according to the dictates of his very nature. In the plan of the Creator, society is a natural means which man can and must use to reach his destined end. Society is for man and not vice versa. This must not be understood in the sense of liberalistic individualism, which subordinates society to

<sup>11</sup> Encycl. *Casti Connubii*, Dec. 31, 1930 (A. A. S., Vol. XXII, 1930, pp. 539-592).



the selfish use of the individual; but only in the sense that by means of an organic union with society and by mutual collaboration the attainment of earthly happiness is placed within the reach of all. In a further sense, it is society which affords the opportunities for the development of all the individual and social gifts bestowed on human nature. These natural gifts have a value surpassing the immediate interests of the moment, for in society they reflect the divine perfection, which would not be true were man to live alone. But on final analysis, even in this latter function, society is made for man, that he may recognize this reflection of God's perfection, and refer it in praise and adoration to the Creator. Only man, the human person, and not society in any form, is endowed with reason and a morally free will.

30. Man cannot be exempted from his divinely-imposed obligations toward civil society, and the representatives of authority have the right to coerce him when he refuses without reason to do his duty. Society, on the other hand, cannot defraud man of his God-granted rights, the most important of which We have indicated above. Nor can society systematically void these rights by making their use impossible. It is, therefore, according to the dictates of reason that ultimately all material things should be ordained to man as a person, that through his mediation they may find their way to the Creator. In this wise we can apply to man, the human

<sup>12</sup> I Corinthians, III, 23.

person, the words of the Apostle of the Gentiles, who writes to the Corinthians on the Christian economy of salvation: "All things are yours, and you are Christ's, and Christ is God's."<sup>12</sup> While Communism impoverishes human personality by inverting the terms of the relation of man to society, to what lofty heights is man not elevated by reason and Revelation!

31. The directive principles concerning the social-economic order have been expounded in the social Encyclical of Leo XIII on the question of labor.<sup>13</sup> Our own Encyclical on the Reconstruction of the Social Order<sup>14</sup> adapted these principles to present needs. Then, insisting anew on the age-old doctrine of the Church concerning the individual and social character of private property, We explained clearly the right and dignity of labor, the relations of mutual aid and collaboration which should exist between those who possess capital and those who work, the salary due in strict justice to the worker for himself and for his family.

32. In this same Encyclical of Ours We have shown that the means of saving the world of today from the lamentable ruin into which amoral liberalism has plunged us, are neither the class-struggle nor terror, nor yet the autocratic abuse of State power, but rather the infusion of social justice and

<sup>13</sup> Encycl. *Rerum Novarum*, May 15, 1891 (*Acta Leonis XIII*, Vol. IV, pp. 177-209).

<sup>14</sup> Encycl. *Quadragesimo Anno*, May 15, 1931 (A. A. S., Vol. XXIII, 1931, pp. 177-228).

the sentiment of Christian love into the social-economic order. We have indicated how a sound prosperity is to be restored according to the true principles of a sane corporative system which respects the proper hierarchic structure of society; and how all the occupational groups should be fused into a harmonious unity inspired by the principle of the common good. And the genuine and chief function of public and civil authority consists precisely in the efficacious furthering of this harmony and coordination of all social forces.

33. In view of this organized common effort towards peaceful living, Catholic doctrine vindicates to the State the dignity and authority of a vigilant and provident defender of those divine and human rights on which the Sacred Scriptures and the Fathers of the Church insist so often. It

(i) is not true that all have equal rights in civil society. It is not true that there exists no lawful social hierarchy. Let it suffice to refer to the Encyclicals of Leo XIII already cited, especially to that on State powers,<sup>15</sup> and to the other on the Christian Constitution of States.<sup>16</sup> In these documents the Catholic will find the principles of reason and the Faith clearly explained, and these principles will enable him to defend himself against the errors and perils of a Communistic conception of the

<sup>15</sup> Encycl. *Diuturnum Illud*, June 20, 1881 (*Acta Leonis XIII*, Vol. I, pp. 210-222).

<sup>16</sup> Encycl. *Immortale Dei*, Nov. 1, 1885 (*Acta Leonis XIII*, Vol. II, pp. 146-168).

(j) State. The enslavement of man despoiled of his rights, the denial of the transcendental origin of the State and its authority, the horrible abuse of public power in the service of a collectivistic terrorism, are the very contrary of all that corresponds with natural ethics and the will of the Creator.

Both man and civil society derive their origin from the Creator, Who has mutually ordained them one to the other. Hence neither can be exempted from their correlative obligations, nor deny or diminish each other's rights. The Creator Himself has regulated this mutual relationship in its fundamental lines, and it is by an unjust usurpation that Communism arrogates to itself the right to enforce, in place of the divine law based on the immutable principles of truth and charity, a partisan political program which derives from the arbitrary human will and is replete with hate.

#### BEAUTY OF CHURCH DOCTRINE

34. In teaching this enlightening doctrine, the Church has no other intention than to realize the glad tidings sung by the Angels above the cave of Bethlehem at the Redeemer's birth: "Glory to God . . . and . . . peace to men . . .,"<sup>17</sup> true peace and true happiness, even here below as far as is possible, in preparation for the happiness of heaven—but to men of good will. This doctrine is equally removed from all extremes of error and all exaggerations of parties or systems which stem from error. It maintains a constant equilibrium of truth and justice,

<sup>17</sup> ST. LUKE, II, 14.

which it vindicates in theory and applies and promotes in practice, bringing into harmony the rights and duties of all parties. Thus authority is reconciled with liberty, the dignity of the individual with that of the State, the human personality of the subject with the divine delegation of the superior; and in this way a balance is struck between the due dependence and well-ordered love of a man for himself, his family and country, and his love of other families and other peoples, founded on the love of God, the Father of all, their first principle and last end. The Church does not separate a proper regard for temporal welfare from solicitude for the eternal. If she subordinates the former to the latter according to the words of her divine Founder, "Seek ye first the Kingdom of God and His justice, and all these things shall be added unto you,"<sup>18</sup> she is, nevertheless, so far from being unconcerned with human affairs, so far from hindering civil progress and material advancement, that she actually fosters and promotes them in the most sensible and efficacious manner. Thus even in the sphere of social-economics, although the Church has never proposed a definite technical system, since this is not her field, she has, nevertheless, clearly outlined the guiding principles which, while susceptible of varied concrete applications according to the diversified conditions of times and places and peoples, indicate the safe way of securing the happy progress of society.

<sup>18</sup> ST. MATTHEW, VI, 33.

35. The wisdom and supreme utility of this doctrine are admitted by all who really understand it. With good reason outstanding statesmen have asserted that, after a study of various social systems, they have found nothing sounder than the principles expounded in the Encyclicals *Rerum Novarum* and *Quadragesimo Anno*. In non-Catholic, even in non-Christian countries, men recognize the great value to society of the social doctrine of the Church. Thus, scarcely a month ago, an eminent political figure of the Far East, a non-Christian, did not hesitate to affirm publicly that the Church, with her doctrine of peace and Christian brotherhood, is rendering a signal contribution to the difficult task of establishing and maintaining peace among the nations. Finally, We know from reliable information that flows into this Center of Christendom from all parts of the world, that the Communists themselves, where they are not utterly depraved, recognize the superiority of the social doctrine of the Church, when once explained to them, over the doctrines of their leaders and their teachers. Only those blinded by passion and hatred close their eyes to the light of truth and obstinately struggle against it.

#### ALLEGED CONFLICT BETWEEN DOCTRINE AND PRACTICE

36. But the enemies of the Church, though forced to acknowledge the wisdom of her doctrine, accuse her of having failed to act in conformity with her principles, and from this conclude to the necessity of seeking other solutions. The utter falseness and injustice of this accusation is shown



by the whole history of Christianity. To refer only to a single typical trait, it was Christianity that first affirmed the real and universal brotherhood of all men of whatever race and condition. This doctrine she proclaimed by a method, and with an amplitude and conviction, unknown to preceding centuries; and with it she potently contributed to the abolition of slavery. Not bloody revolution, but the inner force of her teaching made the proud Roman matron see in her slave a sister in Christ. It is Christianity that adores the Son of God, made Man for love of man, and become not only the "Son of a Carpenter" but Himself a "Carpenter."<sup>19</sup> It was Christianity that raised manual labor to its true dignity, whereas it had hitherto been so despised that even the moderate Cicero did not hesitate to sum up the general opinion of his time in words of which any modern sociologist would be ashamed: "All artisans are engaged in sordid trades, for there can be nothing ennobling about a workshop."<sup>20</sup>

37. Faithful to these principles, the Church has given new life to human society. Under her influence arose prodigious charitable organizations, great guilds of artisans and workingmen of every type. These guilds, ridiculed as "medieval" by the liberalism of the last century, are today claiming the admiration of our contemporaries in many countries who are endeavoring to revive them in some modern form. And when other systems hindered her work and raised obstacles to the salutary

<sup>19</sup> Cf. ST. MATTHEW, XIII, 55; ST. MARK, VI, 3

<sup>20</sup> Cicero, *De Officiis*, Bk. I, c. 42.

influence of the Church, she was never done warning them of their error. We need but recall with what constant firmness and energy Our Predecessor, Leo XIII, vindicated for the workingman the right to organize, which the dominant liberalism of the more powerful States relentlessly denied him. Even today the authority of this Church doctrine is greater than it seems; for the influence of ideas in the realm of facts, though invisible and not easily measured, is surely of predominant importance.

38. It may be said in all truth that the Church, like Christ, goes through the centuries doing good to all. There would be today neither Socialism nor Communism if the rulers of the nations had not scorned the teachings and maternal warning of the Church. On the bases of liberalism and laicism they wished to build other social edifices which, powerful and imposing as they seemed at first, all too soon revealed the weakness of their foundations, and today are crumbling one after another before our eyes, as everything must crumble that is not grounded on the one corner stone which is Christ Jesus.

## IV

DEFENSIVE AND CONSTRUCTIVE  
PROGRAM

## URGENT NEED FOR ACTION

39. This, Venerable Brethren, is the doctrine of the Church, which alone in the social as in all other fields can offer real light and assure salvation in the face of Communistic ideology. But this doctrine must be consistently reduced to practice in every-day life, according to the admonition of St. James the Apostle: "Be ye doers of the word and not hearers only, deceiving your own selves."<sup>21</sup> The most urgent need of the present day is therefore

(a) the energetic and timely application of remedies which will effectively ward off the catastrophe that daily grows more threatening. We cherish the firm hope that the fanaticism with which the sons of darkness work day and night at their materialistic and atheistic propaganda will at least serve the holy purpose of stimulating the sons of light to a like and even greater zeal for the honor of the Divine Majesty.

40. What then must be done, what remedies must be employed to defend Christ and Christian civilization from this pernicious enemy? As a father in the midst of his family, We should like to speak quite intimately of those duties which the great struggle of our day imposes on all the chil-

<sup>21</sup> ST. JAMES, I, 22.

dren of the Church; and We would address Our paternal admonition even to those sons who have strayed far from her.

## RENEWAL OF CHRISTIAN LIFE

41. As in all the stormy periods of the history of the Church, the fundamental remedy today lies in a sincere renewal of private and public life according to the principles of the Gospel by all those who belong to the Fold of Christ, that they may be in truth the salt of the earth to preserve human society from total corruption.

(b)

42. With heart deeply grateful to the Father of Light, from Whom descends "every best gift and every perfect gift,"<sup>22</sup> We see on all sides consoling signs of this spiritual renewal. We see it not only in so many singularly chosen souls who in these last years have been elevated to the sublime heights of sanctity, and in so many others who with generous hearts are making their way towards the same luminous goal, but also in the new flowering of a deep and practical piety in all classes of society even the most cultured, as We pointed out in Our recent *Motu Proprio In multis solaciis* of October 28 last, on the occasion of the reorganization of the Pontifical Academy of Sciences.<sup>23</sup>

43. Nevertheless We cannot deny that there is still much to be done in the way of spiritual renovation. Even in Catholic countries there are still too many who are Catholics hardly more than in name. There are too many who fulfill more or

<sup>22</sup> ST. JAMES, I, 17.

<sup>23</sup> A. A. S., Vol. XXVIII (1936); pp. 421-424.

less faithfully the more essential obligations of the religion they boast of professing, but have no desire of knowing it better, of deepening their inward conviction, and still less of bringing into conformity with the external gloss the inner splendor of a right and unsullied conscience, that recognizes and performs all its duties under the eye of God. We know how much Our Divine Saviour detested this empty pharisaic show, He Who wished that all should adore the Father "in spirit and in truth."<sup>24</sup> The Catholic who does not live really and sincerely according to the Faith he professes will not long be master of himself in these days when the winds of strife and persecution blow so fiercely, but will be swept away defenseless in this new deluge which threatens the world. And thus, while he is preparing his own ruin, he is exposing to ridicule the very name of Christian.

- (d) 44. And here We Wish, Venerable Brethren, to insist more particularly on two teachings of Our Lord which have a special bearing on the present condition of the human race: detachment from earthly goods and the precept of charity. "Blessed are the poor in spirit" were the first words that fell from the lips of the Divine Master in His sermon on the mount.<sup>25</sup> This lesson is more than ever necessary in these days of materialism athirst for the goods and pleasures of this earth. All Christians, rich or poor, must keep their eye fixed on

<sup>24</sup> ST. JOHN, IV, 23.

<sup>25</sup> ST. MATTHEW, V, 3.

heaven, remembering that "we have not here a lasting city, but we seek one that is to come."<sup>26</sup> The rich should not place their happiness in things of earth nor spend their best efforts in the acquisition of them. Rather, considering themselves only as stewards of their earthly goods, let them be mindful of the account they must render of them to their Lord and Master, and value them as precious means that God has put into their hands for doing good; let them not fail, besides, to distribute of their abundance to the poor, according to the evangelical precept.<sup>27</sup> Otherwise there shall be verified of them and their riches the harsh condemnation of St. James the Apostle: "Go to now, ye rich men; weep and howl in your miseries which shall come upon you. Your riches are corrupted, and your garments are moth-eaten; your gold and silver is cankered; and the rust of them shall be for a testimony against you and shall eat your flesh like fire. You have stored up to yourselves wrath against the last days. . . ."<sup>28</sup>

- (f) 45. But the poor too, in their turn, while engaged, according to the laws of charity and justice, in acquiring the necessities of life and also in bettering their condition, should always remain "poor in spirit,"<sup>29</sup> and hold spiritual goods in higher esteem than earthly property and pleasures. Let them remember that the world will never be able

<sup>26</sup> HEBREWS, XIII, 14.

<sup>27</sup> ST. LUKE, XI, 41.

<sup>28</sup> ST. JAMES, V, 1-3.

<sup>29</sup> ST. MATTHEW, V, 3.



to rid itself of misery, sorrow and tribulation, which are the portion even of those who seem most prosperous. Patience, therefore, is the need of all, that Christian patience which comforts the heart with the divine assurance of eternal happiness. "Be patient, therefore, brethren," we repeat with St. James, "until the coming of the Lord. Behold the husbandman waiteth for the precious fruit of the earth, patiently bearing until he receive the early and the later rain. Be you therefore also patient and strengthen your hearts, for the coming of the Lord is at hand."<sup>30</sup> Only thus will be fulfilled the consoling promise of the Lord: "Blessed are the poor!" These words are no vain consolation, a promise as empty as those of the Communists. They are the words of life, pregnant with a sovereign reality. They are fully verified here on earth, as well as in eternity. Indeed, how many of the poor, in anticipation of the Kingdom of Heaven already proclaimed their own: "for yours is the Kingdom of Heaven,"<sup>31</sup> find in these words a happiness which so many of the wealthy, uneasy with their riches and ever thirsting for more, look for in vain!

46. Still more important as a remedy for the evil we are considering, or certainly more directly calculated to cure it, is the precept of charity. We have in mind that Christian charity, "patient and kind,"<sup>32</sup> which avoids all semblance of demeaning paternalism, and all ostentation; that charity which from the very beginning of Christianity won to

<sup>30</sup> ST. JAMES, V, 7, 8.

<sup>31</sup> ST. LUKE, VI, 20.

<sup>32</sup> I Corinthians, XIII, 4.

Christ the poorest of the poor, the slaves. And We are grateful to all those members of charitable associations, from the conferences of St. Vincent de Paul to the recent great relief-organizations, which are perseveringly practicing the spiritual and corporal works of mercy. The more the workingmen and the poor realize what the spirit of love animated by the virtue of Christ is doing for them, the more readily will they abandon the false persuasion that Christianity has lost its efficacy and that the Church stands on the side of the exploiters of their labor.

47. But when on the one hand We see thousands of the needy, victims of real misery for various reasons beyond their control, and on the other so many round about them who spend huge sums of money on useless things and frivolous amusement, We cannot fail to remark with sorrow not only that justice is poorly observed, but that the precept of charity also is not sufficiently appreciated, is not a vital thing in daily life. We desire therefore, Venerable Brethren, that this divine precept, this precious mark of identification left by Christ to His true disciples, be ever more fully explained by pen and word of mouth; this precept which teaches us to see in those who suffer Christ Himself, and would have us love our brothers as Our Divine Saviour has loved us, that is, even at the sacrifice of ourselves, and, if need be, of our very life. Let all then frequently meditate on those words of the final sentence, so consoling yet so terrifying, which the Supreme Judge will pronounce on the day of the Last Judgment: "Come, ye blessed of my

Father . . . for I was hungry and you gave me to eat; I was thirsty and you gave me to drink . . . Amen, I say to you, as long as you did it to one of these my least brethren you did it to me."<sup>33</sup> And the reverse: "Depart from me, you cursed, into everlasting fire . . . for I was hungry and you gave me not to eat; I was thirsty and you gave me not to drink . . . Amen, I say to you, as long as you did it not to one of these least, neither did you do it to me."<sup>34</sup>

48. To be sure of eternal life, therefore, and to be able to help the poor effectively, it is imperative to return to a more moderate way of life, to renounce the joys, often sinful, which the world today holds out in such abundance; to forget self for love of the neighbor. There is a divine regenerating force in this "new precept" (as Christ called it) of Christian charity.<sup>35</sup> Its faithful observance will pour into the heart an inner peace which the world knows not, and will finally cure the ills which oppress humanity.

(h) 49. But charity will never be true charity unless it takes justice into constant account. The Apostle teaches that "he that loveth his neighbor hath fulfilled the law" and he gives the reason: "*For, Thou shalt not commit adultery, Thou shalt not kill, Thou shalt not steal . . . and if there be any other commandment, it is comprised in this word: Thou shalt love thy neighbor as thyself.*"<sup>36</sup> According to the Apostle, then, all the commandments, in-

<sup>33</sup> ST. MATTHEW, XXV, 34-40.

<sup>34</sup> ST. MATTHEW, XXV, 41-45.

<sup>35</sup> ST. JOHN, XIII, 34.

<sup>36</sup> ROMANS, XIII, 8, 9.

cluding those which are of strict justice, as those which forbid us to kill or to steal, may be reduced to the single precept of true charity. From this it follows that a "charity" which deprives the workingman of the salary to which he has a strict title in justice, is not charity at all, but only its empty name and hollow semblance. The wage-earner is not to receive as alms what is his due in justice. And let no one attempt with trifling charitable donations to exempt himself from the great duties imposed by justice. Both justice and charity often dictate obligations touching on the same subject-matter, but under different aspects; and the very dignity of the workingman makes him justly and acutely sensitive to the duties of others in his regard.

50. Therefore We turn again in a special way to you, Christian employers and industrialists, whose problem is often so difficult for the reason that  
 (i) you are saddled with the heavy heritage of an unjust economic regime whose ruinous influence has been felt through many generations. We bid you be mindful of your responsibility. It is unfortunately true that the manner of acting in certain Catholic circles has done much to shake the faith of the working-classes in the religion of Jesus Christ. These groups have refused to understand that Christian charity demands the recognition of certain rights due to the workingman, which the Church has explicitly acknowledged. What is to be thought of the action of those Catholic employers who in one place succeeded in preventing the reading of Our Encyclical *Quadrages-*

*imo Anno* in their local churches? Or of those Catholic Industrialists who even to this day have shown themselves hostile to a labor movement that We Ourselves recommended? Is it not deplorable that the right of private property defended by the Church should so often have been used as a weapon to defraud the workingman of his just salary and his social rights?

51. In reality, besides commutative justice, there is also social justice with its own set obligations, from which neither employers nor workingmen can escape. Now it is of the very essence of social justice to demand from each individual all that is necessary for the common good. But just as in the living organism it is impossible to provide for the good of the whole unless each single part and each individual member is given what it needs for the exercise of its proper functions, so it is impossible to care for the social organism and the good of society as a unit unless each single part and each individual member—that is to say, each individual man in the dignity of his human personality—is supplied with all that is necessary for the exercise of his social functions. If social justice be satisfied, the result will be an intense activity in economic life as a whole, pursued in tranquility and order. This activity will be proof of the health of the social body, just as the health of the human body is recognized in the undisturbed regularity and perfect efficiency of the whole organism.
- (k) 52. But social justice cannot be said to have been satisfied as long as workingmen are denied a

salary that will enable them to secure proper sustenance for themselves and for their families; as long as they are denied the opportunity of acquiring a modest fortune and forestalling the plague of universal pauperism; as long as they cannot make suitable provision through public or private insurance for old age, for periods of illness and unemployment. In a word, to repeat what has been said in Our Encyclical *Quadragesimo Anno*:  
 (1) "Then only will the economic and social order be soundly established and attain its ends, when it offers, to all and to each, all those goods which the wealth and resources of nature, technical science and the corporate organization of social affairs can give. These goods should be sufficient to supply all necessities and reasonable comforts, and to uplift men to that higher standard of life which, provided it be used with prudence, is not only not a hindrance but is of singular help to virtue."<sup>37</sup>

53. It happens all too frequently, however, under the salary system, that individual employers are helpless to ensure justice unless, with a view to its practice, they organize institutions the object of which is to prevent competition incompatible with fair treatment for the workers. Where this is true, it is the duty of contractors and employers to support and promote such necessary organizations as normal instruments enabling them to ful-

<sup>37</sup> Encycl. *Quadragesimo Anno*, May 15, 1931 (A. A. S., Vol. XXIII, 1931, p. 202).



(m) fill their obligations of justice. But the laborers too must be mindful of their duty to love and deal fairly with their employers, and persuade themselves that there is no better means of safeguarding their own interests.

54. If, therefore, We consider the whole structure of economic life, as We have already pointed out in Our Encyclical *Quadragesimo Anno*, the reign of mutual collaboration between justice and charity in social-economic relations can only be achieved by a body of professional and interprofessional organizations, built on solidly Christian foundations, working together to effect, under forms adapted to different places and circumstances, what has been called the Corporation.

#### SOCIAL STUDY AND PROPAGANDA

55. To give to this social activity a greater efficacy, it is necessary to promote a wider study of social problems in the light of the doctrine of the Church and under the aegis of her constituted authority. If the manner of acting of some Catholics in the social-economic field has left much to be desired, this has often come about because they have not known and pondered sufficiently the teachings of the Sovereign Pontiffs on these questions. Therefore, it is of the utmost importance to foster in all classes of society an intensive pro-

(n) gram of social education adapted to the varying degrees of intellectual culture. It is necessary with all care and diligence to procure the widest possible diffusion of the teachings of the Church, even among the working-classes. The minds of men

must be illuminated with the sure light of Catholic teaching, and their wills must be drawn to follow and apply it as the norm of right living in the conscientious fulfillment of their manifold social duties. Thus they will oppose that incoherence and discontinuity in Christian life which We have many times lamented. For there are some who, while exteriorly faithful to the practice of their religion, yet in the field of labor and industry, in the professions, trade and business, permit a deplorable cleavage in their conscience, and live a life too little in conformity with the clear principles of justice and Christian charity. Such lives are a scandal to the weak, and to the malicious a pretext to discredit the Church.

56. In this renewal the Catholic Press can play a prominent part. Its foremost duty is to foster in various attractive ways an ever better understanding of social doctrine. It should, too, supply accurate and complete information on the activity of the enemy and the means of resistance which have been found most effective in various quarters. It should offer useful suggestions and warn against the insidious deceits with which Communists endeavor, all too successfully, to attract even men of good faith.

#### DISTRUST OF COMMUNIST TACTICS

57. On this point We have already insisted in Our Allocution of May 12th of last year, but We believe it to be a duty of special urgency, Venerable Brethren, to call your attention to it once again.

(p) In the beginning Communism showed itself for what it was in all its perversity; but very soon it realized that it was thus alienating the people. It has therefore changed its tactics, and strives to entice the multitudes by trickery of various forms, hiding its real designs behind ideas that in themselves are good and attractive. Thus, aware of the universal desire for peace, the leaders of Communism pretend to be the most zealous promoters and propagandists in the movement for world amity. Yet at the same time they stir up a class-warfare which causes rivers of blood to flow, and, realizing that their system offers no internal guarantee of peace, they have recourse to unlimited armaments. Under various names which do not suggest Communism, they establish organizations and periodicals with the sole purpose of carrying their ideas into quarters otherwise inaccessible. They try perfidiously to worm their way even into professedly Catholic and religious organizations. Again, without receding an inch from their subversive principles, they invite Catholics to collaborate with them in the realm of so-called humanitarianism and charity; and at times even make proposals that are in perfect harmony with the Christian spirit and the doctrine of the Church.

(q) Elsewhere they carry their hypocrisy so far as to encourage the belief that Communism, in countries where faith and culture are more strongly entrenched, will assume another and much milder form. It will not interfere with the practice of religion. It will respect liberty of conscience.

There are some even who refer to certain changes recently introduced into soviet legislation as a proof that Communism is about to abandon its program of war against God.

(r) 58. See to it, Venerable Brethren, that the Faithful do not allow themselves to be deceived! Communism is intrinsically wrong, and no one who would save Christian civilization may collaborate with it in any undertaking whatsoever. Those who permit themselves to be deceived into lending their aid towards the triumph of Communism in their own country, will be the first to fall victims of their error. And the greater the antiquity and grandeur of the Christian civilization in the regions where Communism successfully penetrates, so much more devastating will be the hatred displayed by the godless.

#### PRAYER AND PENANCE

59. But "unless the Lord keep the city, he watcheth in vain that keepeth it."<sup>38</sup> And so, as a final and most efficacious remedy, We recommend, Venerable Brethren, that in your dioceses you use the most practical means to foster and intensify the spirit of prayer joined with Christian penance. When the Apostles asked the Saviour why they had been unable to drive the evil spirit from a demoniac, Our Lord answered: "This kind is not cast out but by prayer and fasting."<sup>39</sup> So, too, the evil which today torments humanity can be conquered

(s) only by a world-wide holy crusade of prayer and

<sup>38</sup> PSALMS, CXXVI, 1.

<sup>39</sup> ST. MATTHEW, XVII, 20.

penance. We ask especially the Contemplative Orders, men and women, to redouble their prayers and sacrifices to obtain from heaven efficacious aid for the Church in the present struggle. Let them implore also the powerful intercession of the Immaculate Virgin who, having crushed the head of the serpent of old, remains the sure protectress and invincible "Help of Christians."

## V

## MINISTERS AND CO-WORKERS IN CATHOLIC SOCIAL ACTION

### PRIESTS

60. To apply the remedies thus briefly indicated to the task of saving the world as We have traced it above, Jesus Christ, our Divine King, has chosen priests as the first-line ministers and messengers of His gospel. Theirs is the duty, assigned to them by a special vocation, under the direction of their Bishops and in filial obedience to the Vicar of Christ on earth, of keeping alight in the world the torch of Faith, and of filling the hearts of the Faithful with that supernatural trust which has aided the Church to fight and win so many other battles in the name of Christ: "This is the victory which overcometh the world, our Faith."<sup>40</sup>

61. To priests in a special way We recommend anew the oft-repeated counsel of Our Predecessor,  
(a) Leo XIII, to go to the workingman. We make this advice Our own, and faithful to the teachings of Jesus Christ and His Church, We thus complete it: "Go to the workingman, especially where he is poor; and in general, go to the poor." The poor are obviously more exposed than others to the wiles of agitators, who, taking advantage of their extreme need, kindle their hearts to envy of the rich and urge them to seize by force what fortune seems to have denied them unjustly. If the priest

<sup>40</sup> I EPIST. ST. JOHN, V, 4.



will not go to the workingman and to the poor, to warn them or to disabuse them of prejudice and false theory, they will become an easy prey for the apostles of Communism.

62. Indisputably much has been done in this direction, especially after the publication of the Encyclicals *Rerum Novarum* and *Quadragesimo Anno*. We are happy to voice Our paternal approval of the zealous pastoral activity manifested by so many Bishops and priests who have, with due prudence and caution, been planning and applying new methods of apostolate more adapted to modern needs. But for the solution of our present problem, all this effort is still inadequate. When our country is in danger, everything not strictly necessary, everything not bearing directly on the urgent matter of unified defense, takes second place. So we must act in today's crisis. Every other enterprise, however attractive and helpful, must yield before the vital need of protecting the very foundation of the Faith and of Christian civilization. Let our parish priests, therefore, while providing, of course, for the normal needs of the Faithful, dedicate the better part of their endeavors and their zeal to winning back the laboring masses to Christ and to His Church. Let them work to infuse the Christian spirit into quarters where it is least at home. The willing response of the masses, and results far exceeding their expectations, will not fail to reward them for their strenuous pioneer labor. This has been and continues to be our experience in Rome and in other capitals, where zeal-

ous parish communities are being formed as new churches are built in the suburban districts, and real miracles are being worked in the conversion of people whose hostility to religion has been due solely to the fact that they did not know it.

63. But the most efficacious means of apostolate among the poor and lowly is the priest's example, the practice of all those sacerdotal virtues which We have described in Our Encyclical *Ad Catholicos Sacerdotes*.<sup>41</sup> Especially needful, however, for the present situation is the shining example of a life which is humble, poor and disinterested, in imitation of a Divine Master Who could say to the world with divine simplicity: "The foxes have holes and the birds of the air nests, but the Son of Man hath not where to lay His head."<sup>42</sup> A priest who is really poor and disinterested in the Gospel sense (c) may work among his flock marvels recalling a Saint Vincent de Paul, a Cure of Ars, a Cottolengo, a Don Bosco and so many others; while an avaricious and selfish priest, as We have noted in the above-mentioned Encyclical, even though he should not plunge with Judas to the abyss of treason, will never be more than empty "sounding brass" and useless "tinkling cymbal."<sup>43</sup> Too often, indeed, he will be a hindrance rather than an instrument of grace in the midst of his people. Furthermore, where a secular priest or religious is obliged by his office to administer temporal property, let

<sup>41</sup> Dec. 20, 1935; A. A. S., Vol. XXVIII (1936), pp. 5-53.

<sup>42</sup> St. MATTHEW, VIII, 20.

<sup>43</sup> I CORINTHIANS, XIII, 1.

him remember that he is not only to observe scrupulously all that charity and justice prescribe, but that he has a special obligation to conduct himself in very truth as a father of the poor.

### CATHOLIC ACTION

64. After this appeal to the clergy, We extend Our paternal invitation to Our beloved sons among (b) the laity who are doing battle in the ranks of Catholic Action. On another occasion <sup>44</sup> We have called this movement so dear to Our heart "a particularly providential assistance" in the work of the Church during these troublous times. Catholic Action is in effect a *social* apostolate also, inasmuch as its object is to spread the Kingdom of Jesus Christ not only among individuals, but also in families and in society. It must, therefore, make it a chief aim to train its members with special care and to prepare them to fight the battles of the Lord. This task of formation, now more urgent and indispensable than ever, which must always precede direct action in the field, will assuredly be served by study-circles, conferences, lecture-courses and the various other activities undertaken with a view to making known the Christian solution of the social problem.

65. The militant leaders of Catholic Action, thus properly prepared and armed, will be the first and immediate apostles of their fellow workmen. They will be an invaluable aid to the priest in carrying the torch of truth, and in relieving grave

<sup>44</sup> May 12, 1936.

spiritual and material suffering, in many sectors where inveterate anti-clerical prejudice or deplorable religious indifference has proved a constant obstacle to the pastoral activity of God's ministers. In this way they will collaborate, under the direction of especially qualified priests, in that work of spiritual aid to the laboring classes on which We set so much store, because it is the means best calculated to save these, Our beloved children, from the snares of Communism.

66. In addition to this individual apostolate which, however useful and efficacious, often goes unheralded, Catholic Action must organize propaganda on a large scale to disseminate knowledge of (c) the fundamental principles on which, according to the Pontifical documents, a Christian Social Order must build.

### AUXILIARY ORGANIZATIONS

67. Ranged with Catholic Action are the groups which We have been happy to call its auxiliary forces. With paternal affection We exhort these valuable organizations also to dedicate themselves to the great mission of which We have been treating, a cause which today transcends all others in vital importance.

### HOMOGENEOUS GROUPS

68. We are thinking, likewise, of those associations of workmen, farmers, technicians, doctors, employers, students and others of like character, groups of men and women who live in the same cultural atmosphere and share the same way of life. Precisely these groups and organizations are des-

tined to introduce into society that order which We have envisaged in Our Encyclical *Quadragesimo Anno*, and thus to spread in the vast and various fields of culture and labor the recognition of the Kingdom of Christ.

69. Even where the State, because of changed social and economic conditions, has felt obliged to intervene directly in order to aid and regulate such organizations by special legislative enactments, supposing always the necessary respect for liberty and private initiative, Catholic Action may not urge the circumstance as an excuse for abandoning the field. Its members should contribute prudently and intelligently to the study of the problems of the hour in the light of Catholic doctrine. They should loyally and generously participate in the formation of the new institutions, bringing to them the Christian spirit which is the basic principle of order wherever men work together in fraternal harmony.

#### APPEAL TO CATHOLIC WORKERS

70. Here We should like to address a particularly affectionate word to Our Catholic workingmen, young and old. They have been given, perhaps as a reward for their often heroic fidelity in these trying days, a noble and an arduous mission. Under the guidance of their Bishops and priests, they are to bring back to the Church and to God those immense multitudes of their brother-workmen who, because they were not understood or treated with the respect to which they were entitled, in bitterness have strayed far from God. Let Catholic workingmen show these, their wandering breth-

ren, by word and example that the Church is a tender Mother to all those who labor and suffer, (f) and that she has never failed, and never will fail, in her sacred maternal duty of protecting her children. If this mission, which must be fulfilled in mines, in factories, in shops, wherever they may be laboring, should at times require great sacrifices, Our workmen will remember that the Saviour of the world has given them an example, not only to toil, but of self-immolation.

#### NEED OF UNITY AMONG CATHOLICS

71. To all Our children, finally, of every social rank and every nation, to every religious and lay organization in the Church, We make another and more urgent appeal for union. Many times Our paternal heart has been saddened by the divergences—often idle in their causes, always tragic in their consequences — which array in opposing camps the sons of the same Mother Church. Thus it is that the radicals, who are not so very numerous, profiting by this discord are able to make it more acute, and end by pitting Catholics one against the other. In view of the events of the past few months, Our warning must seem superfluous. We repeat it, nevertheless, once more, for those who have not understood, or perhaps do not desire to understand. Those who make a practice of spreading dissension among Catholics assume a terrible responsibility before God and the Church.

#### INVITATION TO ALL BELIEVERS

72. But in this battle joined by the powers of



darkness against the very idea of Divinity, it is Our fond hope that, besides the host which glories in the name of Christ, all those—and they comprise the overwhelming majority of mankind—who still believe in God and pay Him homage may take a decisive part. We, therefore, renew the invitation extended to them five years ago in Our Encyclical, *Caritate Christi*, invoking their loyal and hearty collaboration “in order to ward off from mankind the great danger that threatens all alike.” Since, as We then said, “belief in God is the unshakable foundation of all social order and of all responsibility on earth, it follows that all those who do not want anarchy and terrorism ought to take energetic steps to prevent the enemies of religion from attaining the goal they have so brazenly proclaimed to the world.”<sup>45</sup>

#### DUTIES OF THE CHRISTIAN STATE

73. Such is the positive task, embracing at once theory and practice, which the Church undertakes in virtue of the mission, confided to her by Christ, of constructing a Christian society, and, in our own times, of resisting unto victory the attacks of Communism. It is the duty of the Christian State to concur actively in this spiritual enterprise of the Church, aiding her with the means at its command, which although they be external devices, have nonetheless for their prime object the good of souls.

<sup>45</sup> Encycl. *Caritate Christi*, May 3, 1932 (A. A. S., Vol. XXIV, p. 184).

74. This means that all diligence should be exercised by States to prevent within their territories (j) the ravages of an anti-God campaign which shakes society to its very foundations. For there can be no authority on earth unless the authority of the Divine Majesty be recognized; no oath will bind which is not sworn in the Name of the Living God. We repeat that We have said with frequent insistence in the past, especially in Our Encyclical, *Caritate Christi*: “How can any contract be maintained, and what value can any treaty have, in which every guarantee of conscience is lacking? And how can there be talk of guarantees of conscience when all faith in God and all fear of God have vanished? Take away this basis, and with it all moral law falls, and there is no remedy left to stop the gradual but inevitable destruction of peoples, families, the State, civilization itself.”<sup>46</sup>

75. It must likewise be the special care of the State (k) to create those material conditions of life without which an orderly society cannot exist. The State must take every measure necessary to supply employment, particularly for the heads of families and for the young. To achieve this end demanded by the pressing needs of the common welfare, the wealthy classes must be induced to assume those burdens without which human society cannot be saved nor they themselves remain secure. However, measures taken by the State with this end in view ought to be of such a nature that they

<sup>46</sup> Encycl. *Caritate Christi*, May 3, 1932 (A. A. S., Vol. XXIV, 1932, p. 190).

will really affect those who actually possess more than their share of capital resources, and who continue to accumulate them to the grievous detriment of others.

76. The State itself, mindful of its responsibility before God and society, should be a model of prudence and sobriety in the administration of the commonwealth. Today more than ever the acute world crisis demands that those who dispose of immense funds, built up on the sweat and toil of millions, keep constantly and singly in mind the common good. State functionaries and all employees are obliged in conscience to perform their duties faithfully and unselfishly, imitating the brilliant example of distinguished men of the past and of  
 (1) our own day, who, with unremitting labor, sacrificed their all for the good of their country. In international trade-relations let all means be sedulously employed for the removal of those artificial barriers to economic life which are the effects of distrust and hatred. All must remember that the peoples of the earth form but one family in God.

77. At the same time the State must allow the Church full liberty to fulfill her divine and spiritual mission, and this in itself will be an effectual contribution to the rescue of nations from the dread torment of the present hour. Everywhere today there is an anxious appeal to moral and spiritual forces; and rightly so, for the evil we must combat is at its origin primarily an evil of the  
 (m)

spiritual order. From this polluted source the monstrous emanations of the communistic system flow with satanic logic. Now, the Catholic Church is undoubtedly pre-eminent among the moral and religious forces of today. Therefore the very good of humanity demands that her work be allowed to proceed unhindered.

78. Those who act otherwise, and at the same time fondly pretend to attain their objective with purely political or economic means, are in the grip of a dangerous error. When religion is banished from the school, from education and from public life, when the representatives of Christianity and its sacred rites are held up to ridicule, are we not really fostering the materialism which is the fertile soil of Communism? Neither force, however well organized it be, nor earthly ideals however lofty or noble, can control a movement whose roots lie in the excessive esteem for the goods of this world.

79. We trust that those rulers of nations, who are at all aware of the extreme danger threatening every people today, may be more and more convinced of their supreme duty not to hinder the Church in the fulfillment of her mission. This is the more imperative since, while this mission has in view man's happiness in heaven, it cannot but promote his true felicity in time.

#### THE ERRING RECALLED

80. We cannot conclude this Encyclical Letter without addressing some words to those of Our children who are more or less tainted with the Communist plague. We earnestly exhort them to hear  
 (n)

the voice of their loving Father. We pray the Lord to enlighten them that they may abandon the slippery path which will precipitate one and all to ruin and catastrophe, and that they recognize that Jesus Christ, Our Lord, is their only Saviour: "For there is no other name under heaven given to man whereby we must be saved."<sup>47</sup>

## CONCLUSION

## SAINT JOSEPH, MODEL AND PATRON

81. To hasten the advent of that "peace of Christ in the kingdom of Christ"<sup>48</sup> so ardently desired by all, We place the vast campaign of the Church against world Communism under the standard of St. Joseph, her mighty Protector. He belongs to the working-class, and he bore the burdens of poverty for himself and the Holy Family, whose tender and vigilant head he was. To him was entrusted the Divine Child when Herod loosed his assassins against Him. In a life of faithful performance of everyday duties, he left an example for all those who must gain their bread by the toil of their hands. He won for himself the title of "The Just," serving thus as a living model of that Christian justice which should reign in social life.

82. With eyes lifted on high, our Faith sees the new heavens and the new earth described by Our first Predecessor, St. Peter.<sup>49</sup> While the promises of the false prophets of this earth melt away in blood and tears, the great apocalyptic prophecy of the Redeemer shines forth in heavenly splendor: "Behold, I make all things new."<sup>50</sup>

Venerable Brethren, nothing remains but to raise Our paternal hands to call down upon you,

<sup>48</sup> Encycl. *Ubi Arcano*, Dec. 23, 1922 (A. A. S., Vol. XIV, 1922, p. 691).

<sup>49</sup> II EPIST. ST. PETER, III, 13; cf. ISAIAH, LXV, 17 and LXVI, 22; Apoc. XXI, 1.

<sup>50</sup> Apoc. XXI, 5.

<sup>47</sup> ACTS, IV, 12.



upon your clergy and people, upon the whole Catholic family, the Apostolic Benediction.

Given at Rome, at St. Peter's, on the feast of St. Joseph, Patron of the Universal Church, the nineteenth day of March, in the year 1937, the sixteenth of Our Pontificate.

PIUS PP. XI.

# I Take My Stand

By

Rev. Chas. E. Coughlin



Sunday, January 21, 1940

Published at  
Royal Oak, Michigan

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# I Take My Stand

By

REV. CHAS. E. COUGHLIN

## PREAMBLE

All week long the daily papers and news reels—particularly those in the East—have been headlining and screening a fantastic story of an alleged seditious plot to overthrow the Government of the United States.

In all, 18 young men were taken prisoners by the agents of the Federal Bureau of Investigation; and one was released. Although Mr. J. Edgar Hoover and his colleagues were careful to describe them as members of two distinct rifle clubs, nevertheless, the press of the nation saw fit to identify all of them with the Christian Front, thereby placing that organization and those who sponsored and encouraged it on trial before the bar of public opinion. Definitely, they were not all members of the Christian Front.

Mayor LaGuardia of New York properly ridiculed the entire affair as ludicrous.

Some public officials intimated that the Government was playing politics with the Department of Justice.

"The Detroit Free Press" humorously remarked that "If they (the G-men) had only added a couple of those Daisy air rifles (to their seizure), they (the prisoners) might have captured Canada, too," and then added in a more serious vein: "... the great plot to seize America will go down in the funny books of history to be written about the New Deal long after the headaches of it are over—to keep company with Mr. Roosevelt's daily reports last summer of finding fleets of U-boats off our coast every time he looked out of his window."

Be this as it may, I do not regard this episode so lightly; for the implications which attend it impel me to take a more serious view in so far as my name has been linked adroitly to this "plot" to overthrow the Government.

Thus, I appear before you today to record the fact that while I do not belong to any unit of the Christian Front, nevertheless, I do not disassociate myself from that movement. Therefore, I reaffirm every word which I have said in advocating its formation; I re-encourage the Christians of America to carry on in this crisis for the preservation of Christianity and Americanism more vigorously than ever, despite this thinly veiled campaign launched by certain publicists and their controllers to vilify both the name and the principles of this pro-American, pro-Christian, anti-Communist and anti-Nazi group.

## I

According to the "New York Times" of January 15th, the 17 prisoners "were charged with conspiring (1) to overthrow and destroy the Government of the United States, (2) to oppose by force of arms the authority of the United States Government, and (3) to seize and take possession of property of the United States."

That is the language employed by this paper—language clear and concise expressing charges originating with the United States Government itself.

If these 17 young men so conspired, it matters little whether they were 17 or 17 million; for by such plotting they have merited the unmitigated penalty of the law. But if such charges cannot be substantiated, the 17 Federal prisoners, together with the members and friends of the Christian Front, deserve official exoneration.

In so far as the public press—not the Department of Justice—has placed the Christian Front on trial, insinuating that it is a radical movement and asserting that it is composed entirely of crack-pots—I take my stand beside the Christian Fronters. Recognizing also that in one sense the opposition to Communism is on trial, I freely choose to be identified as a friend of the accused. It matters not whether they be guilty or innocent; be they ardent followers of the principles of Christianity or the betrayers of them, my place is by their side until they are released or convicted.

There I take my stand.

## II

The major charge against these prisoners is that of sedition—plotting to overthrow the Government of the United States. Minor charges have been given publicity, chief of which is that this group, together with all the members of the Christian Front, stand for anti-Semitism. So much effort has been made to emphasize this latter charge that the impression is now created in the minds



of millions of newspaper readers and radio listeners that the arrest of certain individuals belonging to this group of Christians will prove to be a benediction because it will result "in the liquidation of Father Coughlin and his followers" who are represented as the chief anti-Semites in America.

Bearing out this point is a typical editorial appearing in the "Baltimore Sun" of Tuesday, January 16th. It reads, in part, as follows:

"If it transpires at the trial that their alleged treasonable activities were stimulated even in part by too much listening to the harangues of Father Coughlin, that information, too, will have its value."

"The Daily News" of New York, in its editorial of the same date, states:

"The F. B. I.'s arrests do reflect, perhaps, a growing feeling of anti-Semitism that has been profitably and enthusiastically promoted by such soap-boxers as Father Coughlin. If, in proportion to the total population of the country, these peculiar young men do represent a movement for militant action against those whose racial or religious affiliations they dislike, then this movement should naturally be checked before it spreads."

Judging from these and similar editorials, one might suspect that the main charges of sedition were only incidental; and that the main purpose in jailing these youths and in smearing the name of the Christian Front was to use the majesty of the state not only to put down anti-Semitism but to nip in the bud ideas which are repugnant to those in high places.

Corroborating all this is a movement now in progress in the House of Representatives to cashier the Dies Committee, not expressly because it has been hostile to the Communists and their fellow travelers, but because its Chairman was, purportedly, friendly to the Christian Front.

When the speedy trial of these youths on the main charge of sedition to overthrow the Government will be held before an American jury, may truth and justice prevail!

If a Bundist or a Nazi, like a Judas Iscariot, insinuated himself into the ranks of the Christian Front—against which I have warned often—let his identity be disclosed.

If these young men preached or practiced hatred for Jews because they are Jews—against which likewise I have warned—let that charge be proven and punished.



But if, in their commendable zeal, these men—or the majority of them—organized to stand stalwart against the incursions of Communism which threaten our Christianity, our Godliness and our patriotism, opposing constitutionally only those persons, independent of racial or religious characteristics, who espouse the principles of Communism, let that truth be presented to their credit.

### III

This address, then, is designed by me not to wash my hands, Pontius Pilate-like, of the Christian Front and its members, be they in jail or out of jail. It is designed not to attempt to exonerate John Cassidy and his companions or to find them guilty; that is the business of the Federal courts. But it is designed to notify those responsible for Mr. Hoover's descent upon a group of Christian young men—among whom, possibly, there was at least one borer-from-within—that the real Christians of this nation will not beat a retreat.

And why will we not beat a retreat? Because the Christians of America are asking themselves this question: "Why did not Attorney-General Murphy and Mr. Hoover swoop down months ago upon the Communist organizations whose leaders, publicly and admittedly, proposed to overthrow this Government?"

Why will we not beat a retreat? Because the real patriots of America are asking themselves this further question: "Following the publication of the Dies Report, why did Attorney-General Murphy and Mr. Hoover fail to apprehend the 2,000 or more Communists working in the public buildings at Washington almost under their very eyes—members of an organization foresworn to overturn this Government; foresworn to drag Christ down from His cross, expel Him from our churches, ostracize Him from our schools and public institutions and, according to the pattern of the Spanish Loyalists, crucify Him again in the hearts of our citizens?"

These 2,000 belong to no Christian Front, I assure you, and they have not been apprehended or even expelled from their Government positions.

### IV

When I encouraged and still encourage the formation of a Christian Front, I did not stand alone in doing so, for the Christian Front movement was endorsed by many thousands of decent citizens who were and are heartsick as a result of the unimpeded and cultured growth of Communism in this nation over a period of years.

Did the prejudiced press of America state that fact in its effort to put on public trial not 17 members of Rifle Clubs, but a group of Christians organized to combat Communism?

Emphasizing that the Christian Front movement was sponsored and approved by many decent citizens, pause to note what one of them—Bishop Noll of Fort Wayne, Indiana—wrote in "Social Justice" magazine of August 8, 1938, as well as in his own "Sunday Visitor." His Excellency said:

"Not only should Catholics speak out fearlessly and unceasingly against enemies of God and country, but they should heed the appeal of Pope Pius XI, and invite all others, similarly minded, to join with them in creating a United Christian Front against these enemies, and for the promotion of a Christian order of Society. Such is their evident duty as followers of Christ, and particularly as soldiers in the worldwide army of Christ, as members of His Mystical Body, through which each is interested in the spiritual welfare of all others and, with them, interested in crystallizing loyalty to their common Head.

"Monsignor Fulton Sheen, Father Coughlin and other Catholic clergymen who have the ear of the people—no matter whether their views be identical or not in relation to certain measures designed to promote the economic good of the American people—have advocated, and are advocating, a united Christian Front. 'Our Sunday Visitor' . . . appeals to you individually, and as members of your respective parishes, to lend your support in your own communities to the defense and advocacy of those Christian principles which are fundamental to Christianity and to a healthy state of civil society."

Did the prejudiced press find room to print the principles which, as far as I know, dominate the Christian Front—principles which I broadcast over this microphone on July 30, 1939? To refresh their memory, I said on that day to the Christian Fronters:

"Gentlemen of the Christian Front, since you have adopted a name that was hallowed in the poverty of Bethlehem, made glorious in the streets of Nazareth and on the temple steps at Jerusalem; since you have chosen to designate yourselves by His name Whose hands clasped the nails, Whose brow bore the crown of thorns and Whose lacerated body was sealed in a tomb from which He arose immortal, bear in mind that He is the Prince of Peace.

"He came not to destroy but to perfect. He dwelt among"



us not to teach the doctrine of subjugation and slavery but the gospel of liberty and brotherhood. It was His lips that pronounced the counsel of 'love one another.' It was His voice that sounded the warning that 'they who use the sword shall perish by the sword.'

"Therefore, gentlemen of the Christian Front, before your spokesmen ascend the rostra to discuss Americanism and Christianity, model your speech after the Sermon on the Mount. If you are assailed or assaulted, be mindful that when He was spat upon, condemned, stripped of His garments and lashed at the pillar of injustice, He suffered patiently.

"Recollect His admonition to 'render to Caesar the things that are Caesar's and to God the things that are God's.' Yea, even when you are arraigned before some Pontius Pilate and victimized by slander; when you are maligned and calumniated, be ye mindful that though you could summon ten legions of angels to your defense, you must not take the law into your own hands. You are not fighting against the law. You are organizing to protect the law and perfect the law.

"What though the modern scribes and pharisees term you 'Fascist'; what though they accuse you of stirring up the multitudes; what though they maintain that you consort with sinners—be they Nazi or anti-Semitic or what-not—were not more scurrilous epithets than these hurled at Jesus Christ?

"Gentlemen of the Christian Front, I am sadly conscious that in Germany an Adolf Hitler protested that his movement was in defense of Christianity. Beware of falling into his evil ways of assuming to yourselves the interpretation of Christianity and its practices; by perpetrating in its sacred name the excesses that are frowned upon by Christianity.

"Be ye Christians in the full sense of the word. The Crusaders of old were Christian Fronters when they repulsed the Mohammedan hordes. We saw, too, the brave Polish people establish the Christian Front. We saw it spring up in Italy. And we witnessed the activities of a Christian Front that was forced to defend the lives, the liberties and the properties of Spain against the invasion of the international Popular Bolshevik Front.

"Christianity, however, does not teach that you and your fellow citizens shall submit to any injustice which definitely aims at the destruction of the immortal souls of men.



"Christianity does not teach that the Mystical Body of Christ shall submit to the mystical body of Satan.

"Christianity does not teach that a peaceful citizenry will surrender private properties, liberties and national culture to an unjust aggressor."

These were the principles and aims enunciated last July. These were, as far as I know, the principles and aims which were adopted.

Literally lifting the words following this quotation from their context, the Communist press intimated that the Christian Front was established to use the Franco way as a first resort rather than as a last resort.

Rather than give publicity to these statements, a clever campaign of indirect vilification was engaged in last week by public speakers and writers to make a Roman or, preferably, a Moscow holiday for those who still prefer Barabbas to the Victim of Calvary.

#### V (a)

No observant person questions the need of a Christian Front in America—a Christian Front for Jew and Gentile—lest there be imposed upon all of us a Popular Marxian Front. No informed person denies that the day for tolerance towards the Communist Front has passed.

In 1906, long before the Spanish Civil War broke out, Pius X addressed a letter to the Church of Spain, the contents of which are applicable to American Christians. On that occasion—thirty years before the revolution—he said: "All must remember that nobody has the right to remain indifferent, when religion or the public welfare are in danger. Those who strive to destroy religion and civil society aim above all at getting control, as far as possible, of the direction of public affairs and at having themselves elected legislators. It is therefore necessary that Christians should strive with all their might to avert that danger." . . .

In our days we have seen Christ scourged from our schools, His principles mocked in our courts, His enemies applauded in our labor unions, His counsels rejected in our industries and His enemies defended by our Government.

In our days we have witnessed, without hindrance from law, thousands of young Americans recruited to fight on the side of the Hammer and Sickle against the Cross of Christ, and drilled in

the use of firearms as they prepared for their seditious attack upon the King of Creation.

In our days we became alarmed when President Roosevelt, in addressing an answer to Mr. Oumansky, the ambassador for godless Russia, said:

*"It has given me deep satisfaction to hear from you of the feeling of genuine friendship which the peoples of the Soviet Union have for the American people, a feeling which you are assured is fully reciprocated."*

*"I have noted your statement that the purpose of your mission is to strengthen and develop friendly co-operation between our two countries. You may be sure that you will enjoy my full support, as well as every assistance of the Government of the United States in your efforts to achieve that purpose."*

*"I am grateful for the expression of good wishes which you have conveyed on behalf of your government. In return, please convey to the government of the Union of Soviet Socialist Republics my hope for the continued peace and prosperity of the Soviet Union."*

Yes, as I re-read these words, the bleak winter winds carry to my ears the moans of those millions of Christians who, without official protest from our Government, were murdered by order of the rulers of the Soviet Union.

## V (b)

And so, 17 young men, members of rifle clubs, are charged with sedition by the Government, while the press of the nation, inferentially, is charging with sedition the entire membership of the Christian Front.

If the Department of Justice and the newspapers are so solicitous for ferreting out sedition, let me call to their official attention this communistic case taken from the records of the Dies Committee, page 396, volume I. It reads as follows:

*"The 'reds' appear to wield some strange but powerful influence in high circles, for they are able to squash investigations and efforts to prosecute members of their organizations who have been accused of sabotage. The case of the United States dirigible 'Akron' is a good example. Following an investigation in 1933, it was alleged that Paul Kassay,*



an alien, had purposely refrained from placing needed rivets in the framework of the 'Akron' during its construction. Kassay had been working on the steel frame before his discharge. Shortly after this he was arrested in Ohio and charged with violation of the Ohio sedition law, at which time his bail and legal expense, amounting to over \$40,000, were raised by Communist forces. After his release he was not deported or re-arrested, and he is still at large in the United States, although it has been reported Kassay admitted when apprehended by Department of Justice agents that he meant to see that the 'Akron' would never take the air. It did take the air, but the omission of rivets so weakened the structure that the giant dirigible crashed, killing most of the crew.

"Shortly before the 'Akron' disaster a Navy bombing plane crashed at San Diego, California, resulting in the death of a pilot. Subsequent investigation revealed that someone had weakened the wings so that eventually they would collapse. Kassay was employed in the plant in San Diego at the time of the construction of the plane.

"Kassay, it is alleged, admitted that he had led Communist uprisings in Austria-Hungary after the World War. A series of plane disasters began shortly before and after he had been apprehended in this country. (Mr.) Yetta Land, attorney, since then Communist candidate for office in Ohio, defended Kassay. The latter was tried only for the alleged violation of the Ohio criminal-syndicalism law, and this law was found to be unconstitutional."

Moreover, if a portion of the press of this nation were not so prejudiced, it would have corrected the original statements printed and picturized about the seizure of arms made one week ago today in the homes of the arrested members of the Christian Front and others.

Here is the suppressed and tortured truth:

Many newspapers printed a picture of the young marksmen in action, which was supposedly taken with a telescopic camera. According to the mother of one of the youths, this original picture was lifted from her son's dresser during the process of the raid.

And, according to the public press, Mr. Hoover's department issued a statement that 12 Springfield rifles were seized by his agents during the raids. Recognizing the seriousness of what I am about to say, I assert that the agents of the Federal Bureau of Investigation either did not know what they were talking about, or



else the prejudiced press misreported the statements released to them. There were no 12 Springfield rifles seized.

What is my authority for this statement? None other than the United States Army, whose officers, according to a printed report, examined photographs of the firearms confiscated and found only two Springfield rifles and a motley assortment of other material, including outmoded guns whose proper place, at least for some of them, were in the Smithsonian Institute or over your grandfather's mantelpiece.

This corrected report, which came from men in the United States Army, appeared, as far as I know, only in "The Brooklyn Eagle."

Probably when it reached the desks of many other editors, they were inclined to whistle "The March of the Wooden Soldiers" or hum a melody from Gilbert and Sullivan's opera.

One biased newspaper, interested in peddling its prejudices to the fire-eating opponents of the Christian Front, preferred, however, to print these lines: (I refer to the "New York Daily News" of January 18, 1940.)

"Explosion destroys duPont factory . . . The Christian Front, anti-Semitic organization . . . was under suspicion."

## VI

Widespread publicity was given to the cache of arms seized by the agents of Mr. J. Edgar Hoover and his superior, the Honorable Frank Murphy. For your information, this cache of arms was not found in one place. Rather, it was a collection of seizures made in the various houses and localities frequented by these 17 young men, not all of whom were members of the Christian Front.

Bear in mind, nearly all these young men belong to authorized gun clubs. Among the score or so of weapons seized from various homes, little publicity was given to the fact that they had not been stolen as reported; that four of them were .22 rifles such as youngsters use for target practice or for rat hunting; that one obsolete, rusty rifle had been used at the Battle of Manila years ago; that the sword was an heirloom from the Battle of Gettysburg; that two of the tin cans—dangerous weapons that they are—were used by an 18-year-old boy for developing pictures; and that the bayonet was an ancestral relic which some smart Aleck camera man or his collaborator tied to one of the ancient, war-worn weapons. The picture printed in the papers made interesting and profitable publicity—at the expense of facts and truth.

Nor was adequate publicity given to the fact that there are hundreds of authorized rifle clubs existing in America; that this was one of them, incorporated under a charter issued by the National Rifle Association under the name of "Park Slopes Pistol and Rifle Club"; that most of the usable rifles they had were issued by the National Rifle Association or purchased from authorized registered dealers; and that one of the officials appointed by the National Rifle Association was Mr. John Hanrahan, who is the actual head of the "Park Slopes Rifle Club."

The very silence on the part of the publicists to emphasize these facts, and their attempt to make the reading public believe that a forbidden, illegal cache of arms was found—as if it were in some secluded, hidden, secret place—displays the mentality and prejudice behind this entire journalistic account.

And we pause to wonder why the Federal Bureau of Investigation was so interested in investigating this particular rifle club to which belonged some members of a unit of the Christian Front, while no record of investigation has been headlined relative to the rifle clubs of the Communists and Nazis, the rifle units of the C. I. O., the rifle units of the Transport Workers. And yet these members of the "Park Slopes Rifle Club," some of whom, incidentally, were members of a unit of the Christian Front—not all of them—are accused by the Government of sedition; are accused of plotting to overthrow the Government of the United States; and to oppose by force of arms the authority of the United States Government.

If they are guilty, let them suffer the penalty of the law; if they are innocent, let them be freed.

No wonder that certain news journals whose editors endeavor to avoid prejudice and who resent being duped by propaganda—no wonder they regret that the Federal Bureau of Investigation with its admirable chieftain, J. Edgar Hoover, were used as a springboard from which was catapulted an attack upon the members of the Christian Front. They know that the Christian Front stands for God and country, even though a few crackpots, as they call them, found entrance into its ranks. They know that the Communists stand for anti-God and anti-country. And they also know, according to page 396, volume I, of the Dies Report, that Comrade Kassay—K-a-s-s-a-y, not C-a-s-e-y—who admitted that he would see that the "Akron" would never take the air, is a free, protected man in America today.

## VII

I speak of these things to indicate the need for establishing a



genuine Christian Front, modeled upon the principles of Christ and encouraged by the words of the Venerable Pontiff to whose writings I formerly referred—a Christian Front that is tolerant with saint and sinner, with Catholic, Protestant and Jew; but a Christian Front that is not tolerant with the propagation of ideologies of sedition or treachery aimed at the destruction either of our form of government or our Christian ideals.

At this juncture may I quote for public record what Leo XIII said about tolerance. He advised us “to cut off familiar intercourse not only with the openly wicked, but with those who hide their *real character under the mask of universal tolerance . . .* of the mania for reconciling the maxims of the gospel with those of the revolution, Christ with Belial, and the Church of God with the state without God.” (Pope Leo XIII’s Letter to the Italian People, December 8, 1892.)

When tolerance is so misinterpreted as to imply that we must shake hands with Satan, extend to him our friendship, become his bedfellow and sit back complacently while Communism is countenanced and protected in the highest and lowest circles of government, the courageous Christians of America will not be intimidated by name-calling such as “anti-Semitic” or by threats of investigation, or by a prejudiced press. And by no means am I including all newspapers in that category.

Meanwhile, recollecting the words of the Divine Master, namely, “I was in prison and you came to Me”; recollecting that, like St. Paul, these young men need not and would not let themselves down by a basket from their prison; for in America we still have, we trust, dependable courts of justice, we will visit these prisoners with our prayers, asking that they be tried on the charges leveled against them by the officials of the Federal Government. If they are guilty, let them be punished; if innocent, God speed their freedom!

We will remember that while they have been only *charged* with plotting to overturn government and to destroy government properties—we will remember that already it has been *proven* that Harry Bridges of West Coast fame, said: “We will see a day when we can sink those d—— battleships of the United States fleet because they are the enemy of the workers!”

Yes, we will recollect these words. We will recollect that Harry Bridges was not found guilty.

## VIII

It was a happy coincidence when, last Sunday, I advertised the free distribution of a book entitled, “The Rulers of Russia”—



happy in the sense that the esteemed chieftain of the Federal Bureau of Investigation, Mr. Hoover, is reported in "The New York Times" and other papers to have said, "It took only 23 men to overthrow Russia."

Possibly Mr. Hoover is correct. But behind these 23 men there was a history—a sordid history of czaristic persecution; an infamous history associated with the knout and the lash, with Siberia and its exile; a morbid history which recorded the sufferings of a propertyless citizenry exploited by their rulers.

Yes, possibly 23 men did overturn Russia's czaristic regime. Forget not, however, that they were aided and abetted by German and American international financialists, as well as by despotic social and economic conditions.

Forget not that the first revolution bred a second in Russia; one was but a preparation for the Bolshevism, the hatred, the red rivers of blood and the millions of massacred victims which followed.

Thanks be to God, the parallel does not obtain in America!

Who are the rulers of Russia? Who were responsible for perpetrating these crimes against God and civilization?

Let Reverend Denis Fahey, in whose veins there flows the same blood which flows in the majority of those prisoners now held at \$850,000 bail in the Federal detention prison—let him tell you.

The book is free to every person in this audience who writes to me requesting a copy thereof. And on reading it you will learn the real identity of the men who upturned Russia, converted it into a charnel house and dedicated it to the gospel of atheism.

## IX

In conclusion, may I remind you that Judge Moscowitz imposed bail of \$50,000 each on these young men. Incidentally, the bail for Earl Browder was \$7,500.

Among the 16 or less Christian Front prisoners—I am positive that Mr. Bishop, or whatever his name is, is not one of the group—is one William H. Bushnell, Jr., whose forebears fought in every war since revolutionary days. It was his ancestors who gave to George Washington the first tea set imported from China into the United States of America. It was his ancestors who received from the Father of Our Country a courteous letter of unstinted gratitude, recognizing this gift. It was his ancestors who fought on the

field of Gettysburg. It was his ancestor's precious sword of Gettysburg days which was seized by Mr. Hoover and his agents. It was his ancestor, David Bushnell, who in 1776 originated and later improved the first submarine-torpedo in these United States and gave it—did not sell it—to our Government, which relic now rests enshrined, I suppose, on the Government property which this young man is charged with plotting to destroy.

I ask you, Christian Americans, is this family revolutionary and anti-American? Do you know of many other families in these United States bearing more memorable names? It hardly seems possible that a seditious Bushnell is the product of such sterling stock.

Beside the boy I take my stand—beside him and his fellow Christian Front prisoners, be they guilty or be they innocent!

Indeed, a priest can even walk to the gallows with a condemned man. Therefore as I walk—and as I take my stand—I pray that the Bushnell family and the incarcerated men will conduct themselves in the traditional Christian and American way—William Bushnell, Jr., John Cassidy, Michael Joseph Bierne, Macklin Boettger, Andrew Buckley, Claus Gunther Ernecke, John Franklin Cook, John A. Graf, Leroy Keegan, George Kelly, Frank Michael Malone, John T. Prout, Jr., Alfred J. Quinlan, John Albert Viebock, Michael Vill and Edward Walsh.

In conclusion, may I reiterate that it is not our business to find guilty or innocent the 17 men who stand accused on the charge of sedition before the bar of our Federal Courts. We have implicit confidence in the integrity of these courts. But we are grieved in so far as certain publishers have seen fit to pervert the identity of the accused, adroitly transferring the charge to the entire membership of the Christian Front and its friends. This we resent and will continue to resent because of the many sinister implications which accompany this perversion.

Therefore, despite the garbled statements contained in some newspapers last Monday relative to my position, I take my stand, not retracting one word which I have said either today or on previous occasions relative to the matter of a Christian Front and to the principles which should characterize its membership.

Long live Christ the King! God save the Constitution!

For us who believe in the principles of Christianity there is no retreat; for us there is no compromise; for us there is no white flag of surrender!

Long live Christ the King! God save the Constitution!

# MONEY!



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*William E. Fisher*  
Secretary of the Treasury

REV. CHARLES E. COUGHLIN



MAY 15, 1891—Papal Encyclical "Rerum Novarum" issued by Pope Leo XIII.

OCT. 25, 1891—Father Chas. E. Coughlin born, Hamilton, Ont.

1911 — Degree in honor philosophy,. St. Michael's College Toronto; Doctor of Laws, Notre Dame University, 1933.

1916—Taught philosophy and English, St. Basil's College, Waco, Texas.

JUNE 29, 1916 —Ordained to Holy Priesthood, St. Basil's Church, Toronto.

1916-18—Teacher philosophy and English, Assumption College, Sandwich, Ont.; assistant pastor St. Agnes Church, Detroit.

FEB. 26, 1923—Incardinated into Diocese of Detroit by Bishop Gallagher; assistant St. Augustine's, Kalamazoo, 3 months; St. Leo's, Detroit, 18 months.

1925—Pastor SS. Peter and Paul Parish, North Branch, Mich.

MAY 17, 1925—Canonization of St. Therese.

MAY, 1926 — Founder and pastor St. Therese Shrine, Royal Oak, Mich.

OCT. 17, 1926—Sunday, 2 p.m., first radio broadcast on WJR from altar of Little Flower Shrine; beginning nationally famous Golden Hour Children's Hour and broadcasts to shut-ins.

JAN. 16, 1927—Radio mission, broadcast novenna to St. Therese. Radio listeners form League of the Little Flower in every State and many foreign countries.

1928—Charity Crucifixion Tower conceived and started.

JAN. 12, 1930—Broadcast over three-station hook-up.

OCT. 5, 1930—Broadcast series over WXYZ and C.B.S. chain.

OCT. 11, 1931—Dedication of Shrine of the Little Flower.

1930-40—Sunday afternoon broadcasts over independent national radio network.

MARCH 13, 1936—Founded SOCIAL JUSTICE National Magazine.



FATHER COUGHLIN

DEDICATED  
TO THE OPPRESSED PEOPLE OF  
AMERICA





## *Boyhood and Home*

Born October 75, 1891, of American parents residing in Hamilton, Ontario, Father Coughlin's boyhood and early school days were spent in his native city. Upon the foundation of a devoutly religious home life his Christian education was built. His parents, Thomas J. and Amelia (Mahoney) Coughlin, observed their Golden Wedding anniversary last year

# PREFACE

This book is written for the ordinary American citizen. Therefore many needlessly abstract and intricate questions dealing with political economy, banking, and money are purposely omitted.

Unlike many writers on money, the author is in nowise identified with that band of political economists who have proven to be nothing more than mouthpieces for the private coiners of money.

Moreover, the author of this book has kept in mind the vast resources and virgin wealth of the United States of America where want needlessly reigns in the midst of plenty simply because there is a planned scarcity of money required for the transfer of wealth.

The National Union which is propagating the doctrine of social justice presents this book to the American public in order to expand principles number six, number seven and number eight of the sixteen principles of social justice which have been widely publicized. These specific principles are as follows:

6. I believe in the abolition of the privately owned Federal Reserve Banking System and in the establishment of a Government owned Central Bank.
7. I believe in rescuing from the hands of private owners the right to coin and regulate the value of money, which right must be restored to Congress where it belongs.
8. I believe that one of the chief duties of this Government owned Central Bank is to maintain the cost of living on an even keel and arrange for the repayment of dollar debts with equal value dollars.

In no sense, however, should this book be misinterpreted to mean that the National Union has discarded other principles. Because money is the most vital and fundamental problem to be solved before social justice can be reestablished, this is the first of a series of books which will deal with the entire program of social justice.

It is hoped that the possessor of this book will not content himself with merely reading, but will acquire a fluent knowledge of the truths herein contained to the end that he will be able to instruct his fellow citizens on the money question. Needless to remark, it is not convenient for the public press either to explain or to uphold many of the teachings herein contained. Consequently, it is believed that this book will be of service to the misinformed and uninformed public.



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# FOREWORD

Someone suggested to me that the proper title for this book should be "Your Money or Your Life!" Such a title is rather suggestive of Jesse James and of John Dillinger. Upon second thought, the title was discarded, not because it did not cryptically express the real substance of this book, but, rather, because the pages of this volume are dedicated to an earnest, class-roomish exposition of simple economic truths which are intimately concerned with the nature of money.

While the title of the book should be conservative, I readily confess that unless we American citizens recapture our sovereign right of coining and regulating the value of our money and of foreign coin (not permitting this Congressional function to be exercised by a few privately licensed individuals for their own profit) it is apparent that it is "your money or your life." It will be only a matter of years before the liberties identified with our democracy must be bartered for the privilege of eking out an existence under a political system of some kind of tyranny if we continue using the privately created money of those who do not work or produce to obtain money and who can manipulate the volume in existence.

In truth, it is either your money or your democratic life. It is either your money or your American standard of life. It is either your money or the Christian concept of life.

Centuries ago, long before printing and engraving were invented, our European forefathers employed gold and silver, impressed with the stamp of the sovereign government, as their circulating medium. It was their custom to deposit their surplus coins with a man who was ingenious enough to construct a strong room inaccessible to thieves. In return, the strong room keeper gave the depositors a slip of paper best



described as a receipt which, on presentation, enabled the depositor to take out his gold or silver on demand.

Many strong room keepers began doing business in the more populous centers of European countries. It was not long until they discovered that honest depositors (believing that the strong room keepers were as honest as themselves) did not call regularly for their gold, but preferred to transfer among themselves the slips of paper or the receipts. At least 90% of the gold and silver depositors adopted this practice.

Thus it was, taking advantage of this practice, that the strong room keepers began to issue more receipts for deposited gold than there was actual gold in their vaults. They practiced a confidence game. They commercialized upon the credulity of their depositors.

For example: Some enterprising merchant, anxious to invest in a foreign cargo, required immediate money to transact his business. A strong room keeper, knowing that his real depositors likely would not be demanding their gold, loaned this enterprising merchant a handful of receipts which were really promises-to-pay in gold. The truth of it was, the strong room keeper did not have that much gold in his vaults. I repeat, he was commercializing upon the credulity of his real depositors and, at the same time, was thereby actually lending money which did not exist. There was no government stamp upon his receipts or his promises-to-pay.

This, gentle reader, (it were better, perchance, were I to call you "indignant reader") was the origin of the bankers' racket which was actually legalized towards the end of the Seventeenth Century. In 1694 A.D., King William of England passed a law in the British House of Parliament legalizing this practice which commercialized the credulity of honest men, by permitting the privately owned Bank of England to become the legalized counterfeiters of English money.

Times have not changed, nor has the practice of the banking fraternity. The Jesse Jameses and the John Dillingers who went about with sawed-off shot guns relieving citizens either of their hard-earned wealth or of their receipts for it, have been out-moded and outstripped by those who, in the process of the evolution of brigandry, have put aside the black

mask in favor of the white carnation and the shot gun in preference for a purple fountain pen.

Brigandry, legal or illegal, must cease. The credulity of a civilized people must give way to intelligence. Paying interest on money not originated by our government, but originated by private individuals, must terminate. It is either your money or your life.

With a knowledge of the answers given to the following questions contained within this book, you and I will be in a position to recapture our sovereign right and bring to an end the social immorality from which we are suffering.





# INTRODUCTION

At no time, in the history of the world has there been such potentialities for a plentitude of goods as in the present day. Especially we Americans are blessed with the most fertile fields, spacious forests and copious mines in all creation. There is no nation which boasts of so many learned scientists, engi' neers and able workmen as does ours.

Still, withal, there is want in the midst of plenty.

This want is present amongst us for no other reason than that we are victimized by a pernicious money system which prevents the law of supply and demand from functioning. Hungry mouths require food. Shivering populations crave clothing. Nevertheless, we witness the irrational spectacle of crops destroyed, of factories closed down because there is no money, no purchasing power in the hands of the people.

"What this country needs is a money engineer" said Henry Ford.

Better still, "first, what this country needs is an under' standing of money" says the National Union for Social Justice.

Believing that if our victimized and needlessly suffering people will learn the subject of money, which is not a difficult subject, they will be liberated from the shackles of economic slavery, the National Union presents this book for rational consideration. Then will follow a reasonable demand for instituting an honest money system based upon the theory of democracy and liberty.

While the National Union appreciates the splendid efforts which noble statesmen have made in the past to restore to Congress the power to coin money and regulate its value, there is also the realization that these efforts have been in vain because an uninformed and misinformed people have labored

under the delusion that switching party politics instead of changing the money policies was the key to contentment and prosperity.

It is to be expected that certain texts divorced from their contexts in this book will be ridiculed, together with my person. But the principles and substantial historical data, together with the substantial explanations herein contained, cannot be disproven.

I dedicate this book to Catholic, Protestant and Jew, to Democrat, Republican and Socialist, with the hope, not only of adding something to their knowledge, but of inspiring all to unite and strike for financial liberty.

Other books, more intellectual in content, have been presented to the American people on the subjects of wealth, money, prices, banking and foreign exchange. Other books, more worthy than this, have been printed with the hope of liberating the American people from the international bankers. Huge sums of money have been spent to take them from circulation. Is it a vain hope on my part that this widely circulated book shall meet a better fate?

# BOOK I

## MONEY AND BANKING





*The Priest  
of the  
Radio*

Through the interested assistance of "Dick" Richards, owner of Detroit's "Good Will" Radio Station, WJR, and the station's manager, Leo J. Fitzpatrick, an experimental broadcast by the young Royal Oak priest grew into a vast national radio forum. From one Sunday afternoon sermon which brought the priest five letters, the hook-up reached a peak of 68 radio stations in February of 1938, when it was estimated that Father Coughlin had spent 380 hours on the air.

## THE CONSTITUTION AND MONEY

1. What is the Constitution of the United States?

The Constitution of the United States is the fundamental written law, or Will of the People, setting forth the rules for both economic and social activities, as devised by the Founders of the United States and ratified by the citizens.

2. Why is our Constitution necessary?

Because all men will not treat others as they would like to be treated themselves unless written rules are provided and violators of these rules are justly punished, when apprehended.

3. How does the Constitution of the United States protect all of the citizens?

By establishing rules for the well-being of all of the citizens and to which all citizens must subscribe; by providing a definite code to protect and preserve the rights of individuals and of States; by setting up (1) a Congress or legislative body truly representative of all the people, (2) an executive body to carry out the provisions of the Constitution and of the Congress, and (3) a judicial body to interpret these laws and to judge whether or not they are in harmony with the Constitution.

4. Does the Constitution take rights away from the people?

No. It protects their rights and provides for further enactments of laws to prevent any person destroying these rights.

5. Does the Constitution permit the legislative body, the executive body or the judicial body to surpass the jurisdiction bestowed upon them by the people?

No. The activities of each of these bodies is limited by the Constitution, beyond which neither Congress nor the Chief Executive nor the Supreme Court may trespass.

6. Does the Constitution permit of amendment by the people?

Yes. The Constitution contains within itself the provisions by which it may be amended.

7. If the people, through the Constitution, hand over to Congress, for example, any power over the people's sovereign right, does Congress have the power to transfer this right, without specifications or limitations, to any group of private individuals?

No. By the decisions of the Supreme Court, this is not permissible.

8. When analyzed by the brainiest men during the last 150 years, why has the Constitution been declared the greatest governing document ever struck off by the brain and pen of man?

Because the wise statesmen who drafted the Constitution understood and recognized the fundamentals of human nature and wrote, in the most complete form in all history, simple and accurate rules for Government and social well-being in accordance with these rules.

9. Should all laws emanating from legislators recognize the fundamentals of human nature?

Yes. Any code of laws contrary to human nature can not endure, because codes of laws are made for human nature; human nature is not made for any code of laws.

10. Has the progress of science and the growth of our country rendered the Constitution inadequate or out-moded?



No, because the fundamentals of human nature have not changed.

11. Therefore, are those who declare that the Constitution is out-moded or inadequate unintelligent?

Yes, they are either unintelligent, or they are deliberately trying to deceive or mislead others.

12. Does the Constitution of the United States provide for the acquisition of material wealth by individual citizens?

Yes. One of the natural motives for laboring is to seek and obtain those goods which are necessary for personal preservation and personal distinctions.

13. Are all men entitled to the same rewards and to the same amounts of personal wealth?

While all men are entitled to equality of opportunities, all men are not entitled to the same rewards and to possess the same amounts of personal wealth, for some work harder and more intelligently than others. Some are lazy and given to spend'thriftiness.

14. Do all men work at the same occupations and produce the same kind of wealth?

No. Men are social beings, interdependent upon each other. One must till the soil; another must fell the trees; and still others must raise the sheep. Food, shelter and clothing—the essentials for material life—demand diversified activities.

15. How is personal, physical life sustained under diversified activities?

By the exchanging of goods and services.

16. How is the exchange of goods and services accomplished?

Through the medium of money, which was originated by social necessity to make possible exchanges of varieties of articles and articles of unequal value.

17. Since men must be able to secure, exchange and retain material goods and be able to obtain and retain goods according to their honest and intelligent efforts, what means must the Constitution provide to these ends?

An honest money system.

18. Since an honest money system is necessary, did the Framers of the Constitution intend to provide for only part or all of the money necessary to effect exchanges?

Being learned men, if they were providing for only a part of money, they would have said so. Being just men, if they were providing an honest money system, they could not allow a privileged few the right to substitute their private money for honest public money.

19. Would the Constitution have provided for an honest money system if a privileged few were to have the right to substitute private money for money coined by Congress?

No. It would have violated the first rules of an honest and democratic system, if a few privileged individuals were granted the right to substitute private money for the nation's money.

20. What, therefore, are the money provisions of the Constitution of the United States?

Article I, Section 8, Part 5, reads: "Congress shall have the power to coin money and regulate the value thereof; and of foreign coin."

(It is obvious that the Framers of the Constitution and the people who adopted it were providing for all of the money, not only that originated in this country, but also for the regulation of foreign coins that might be brought into this country to be exchanged for dollars.)

21. Have the individual States the power to coin and regulate money?

No. The Constitution prohibits the States from exercising this power. (Article I, Sec. 10, Cl. 1).

22. Should we not, as good Americans, demand that our Congress enforce the money provisions of our Constitution?

Yes, but we must first understand the simple fundamentals—the nature and function of money. We will then see the necessity of an honest money system just as did the Founders of this nation. Understanding, we will demand that Congress exercise the money mandates of the Constitution, for without this we can not avoid chaos and enjoy the blessings of Order, Peace and Prosperity.

\* \* \* \* \*

### RECAPITULATION

1. Our Constitution is a just document.
2. It is founded on human nature.
3. Human nature is social.
4. The social aspect of human nature requires an exchange of goods.
5. The exchange of goods requires the use of money.
6. The Constitution provides that Congress shall coin and regulate all of the money.



# WEALTH

1. What is wealth?

Wealth consists of the things persons use to sustain and empower life or to produce the things which sustain life.

2. What are the common forms of wealth?

Food, clothing, shelter, etc.—all things necessary for living.

3. Are there various species of wealth?

Yes. There are material, intellectual and spiritual species of wealth.

4. Are we discussing all species of wealth?

No, only the material. However, be it remarked that social morality, intellectual good and spiritual sanctity are tremendously affected if material wealth is need' lessly denied to citizens.

5. From what is this material wealth produced?

From the natural resources of creation.

6. Does man produce this wealth?

Only in a secondary sense. First, he must have the natural resources which he converts into forms convenient for human use.

7. What are the principal natural resources?

Lands, minerals, air, water, forest, sunlight and atomic energy.

8. Can wealth be created out of nothing?

No. It is a product of human activity expended upon the raw materials and the sources of everything in creation.

9. What is the purpose of all human activity and industry?

To produce and distribute an ever-increasing volume of life-sustaining goods and services.

10. What are the two main classes of wealth produced?

The first class consists of the things which man directly consumes or uses up in living. These are called "consumer goods" or perishable goods used and consumed in actually sustaining life; e. g. food, clothing, fuel, etc. The second class consists of capital or producer goods; e.g. a factory, freight car, or machine is wealth that is not consumed by human beings but helps to produce and distribute the things they consume in sustaining life.

11. Can wealth be consumed more than once?

No. Food, when eaten; clothing, when worn; or fuel, when burned has been used up and cannot be consumed again. What remains is waste matter.

12. Are producer goods wealth already consumed?

Yes, generally, in the sense that raw materials have been converted into specific pieces of machinery, buildings, etc. They are useful as things into which they were converted, but they cannot be reconverted into the original raw materials without the expenditure of more work.

13. Do producer goods wear out and grow obsolete?

Yes, and for that reason the owners of those producer goods should obtain a part of the new wealth produced, so long as those specific tools or implements of production are in efficient use.

14. What are the limitations to the production of consumer wealth at any given time?

The natural resources, the plants and machinery in use, and the workers capable of directing and operating the necessary processes.

15. When producer goods wear out, what must be done?

They must be replaced by constructing new producer goods out of available consumer goods. The consumer goods do not become producer goods until they are fabricated into permanent form; e.g. iron ore into a machine, sand into a concrete building.

16. When producer goods are idle, do all citizens suffer an economic loss? (e.g. an idle shoe factory)

Yes, because these goods (the machinery) are not used to turn out the volume of consumer goods (shoes) for which they were built. When a smaller volume of consumer goods is produced, human beings have less of the necessities of life. The greatest loss is that of time passed in idleness, which can never be retrieved and of useless privation, which is destructive of well-being.

17. Are gold and silver consumer wealth?

Only in the very limited sense of being worn as jewelry, fillings for teeth, and for decorative purposes.

18. Has the United States produced too much wealth?

No. There are available volumes of authentic figures indicating that the production of all classes of wealth have been far short of the amount required to provide those willing and capable of working with the reasonable physical necessities to maintain a healthful life.

19. What percentage of our population is merely existing rather than enjoying the use of available and sufficient wealth to live in reasonable comfort?

At least three-fourths of our total population.



## RECAPITULATION

1. To sustain life, material wealth is necessary.
2. Material wealth consists of consumer wealth and producer wealth.
3. (a) Consumer wealth is used up by once using.  
(b) Producer wealth, while not sustaining life directly, is used to produce consumer wealth.
4. Consumer wealth produced to satisfy every human need is the object of human, economic activity.
5. Human economic activity has not produced too much wealth.

## MONEY

1. What is money?

A medium of exchange used as a reckoner or counter to avoid the direct exchange of goods for goods.

2. What is the function of money?

To make easy the exchange of goods and services, so that when one parts with anything having exchange value without needing anything in return immediately, he can keep the money until he does. It is an evidence that he has contributed some goods or services which society wants, and is a demand on that society for an equal value of what he may require at any time the need arises.

3. Then what may be used as money?

Money is anything commonly used and accepted as a medium of exchange. Money is the evidence that the possessor has parted with commodities or services and has not yet received its equivalent. Therefore, in the final analysis, money may be any object (paper, metal, beads) used as the receipt or acknowledgment of de-livery of goods or services having exchange value, as long as it is recognized as such by its users and those by whose sovereign power it was created.

4. Does one who possesses money own wealth?

No. The possession of money is the evidence that the holder is owed wealth by the community.

5. Is one who holds money voluntarily abstaining from the ownership and use of wealth?

Yes, the owner of money is owed wealth. Money is accepted and held to suit the convenience of the possessor, so long as he knows that he can exchange it for wealth when he wants wealth.

6. Is the substance of which money is made important?

No. It is the legal status given it by government stamp that makes it acceptable by all as money, whether it be made of metal (punch press money), or of paper (printing press money).

"Money is a value created by law, to be a scale of valuation and a valid tender for payments."

(Cernuschi, Italian Economist, in "Numisma or Legal Tender").

"An article is determined to be money by reason of the performance by it of certain functions, without regard to its form or substance;" (American Cyclopaedia, Vol. II, Page 735).

"Money has value only by law and not by nature."  
(From "Politics" by Aristotle).

7. Of what importance is the seal or imprint upon money?

It is the public seal or stamp imprinted upon the substance that makes it money.

"The currency value is in the stamp, when used as money, and not in the use of the metal independent of the stamp. In other words, the money quality is the authority which makes it current and gives it power to accomplish the purpose for which it was created." (From "Government and Constitutional Law" by Judge Joel Tiffany, Page 221).

8. Can either paper or metal be used to receive the public seal or imprint and thereby become money?

Yes. With modern engraving processes that make imitation difficult, paper is more suitable than metal, because it is only the sovereign stamp or seal of the Government which can give it legal quality. All money is created under law.



9. Why were metals, such as gold or silver, ever used for money?

Because they were durable substances and could not be easily counterfeited, and because printing and engraving were not invented.

10. What seal or imprint should always be placed upon money?

That of the National Government.

The Attorney General of the United States, speaking of the Legal Tender Acts (12 Wallace, U.S. Supreme Court Reports, Page 319) says:

"This legislation assumes that, in contemplation of law, money of every species has the value which law fixes on it. . . . We repeat: Money is not a substance but an impression of legal authority, a printed legal decree."

11. Why should the seal of the National Government be the only seal or imprint allowed?

Because it is the sovereign stamp or seal of the Government which gives it legal quality.

"The Constitution was intended to frame a government, supreme in some particulars, over States and people. It was designed to provide the same currency, having a uniform legal value in all states." (12 Wallace Reports, Knox vs. Lee, et. al. and Parker vs. Davis, Statement by Justice Strong of the United States Supreme Court).

12. Under existing laws (February 1936), does our National Government originate our money?

No, only to a very limited extent.

13. Who does originate (create) our money?

Private corporations, commonly called banks, now originate practically all of our money.

14. Why have private individuals usurped and exercised the sovereign power of issuing our money?

Because when that power is held and exercised by private individuals, they can and do control the entire economic, social and governmental system and derive enormous, illicit profits therefrom.

15. Why does the Constitution provide that the power to originate money should be confined to the National Congress?

Because the power to issue money and determine what volume shall be in use is the sovereign power. It is the greatest power inherent in any people who constitute a nation.

16. How do you get money?

You get money for work performed or services rendered in producing and distributing wealth.

17. What functions does money perform for you?

It bridges the time between the sale of your wealth or services, and the purchase of wealth as needed. It also enables you to exchange one thing for a number of things, or vice versa; it enables you to exchange your labor for a large number of articles, instead of forcing you to take, as your pay, a portion of your personal production. This ready divisibility of money into many small parts is one of the advantages of using money.

18. Where does this money originally come from?

Money is man-made. It comes from whoever exercises the power to originate or create it.

19. Since money is man-made, is this not a case of the original getting "something-for-nothing", which we are told is impossible?

Yes; and those who create our money under the present Federal Reserve Banking system, for the trivial cost of bookkeeping entries or engraving paper, create out of nothing the money which they lend to us at interest.

20. Do these Federal Reserve Bankers, who sneer at the idea of getting something-for-nothing, know that this is precisely what happens under our present illicit money-creating system?

Whether or not they do, the fact remains, that they use this very principle to accomplish the concentration of the ownership of wealth in the hands of a few and the impoverishment of the many. The success with which they have used this vicious principle indicates that their operations have not been haphazard, but deliberately and carefully planned.

21. Does their money, when it leaves the possession of the creators, buy wealth, just as your money buys wealth when you surrender it?

Yes, because after they create it, they lend it to others to buy wealth.

22. Who should create money?

The Government, representing all of the people.

23. In our country, what governing body should represent all of the people?

The Congress of the United States.

24. Who, then, should originate all of our money?  
Congress.

25. How could the American people benefit by Congress alone originating money?

Each would receive his proportionate benefit from the original purchasing power, for the Government would pay money into use in return for public goods and services needed, and in performing the proper functions of government. e.g.: When \$1,000 leaves the possession of the originator, it purchases \$1,000 worth of wealth, just as the \$1,000 you earned and saved will purchase an identical quantity of wealth when it leaves your possession.



26. Under our present private money-creating system, what do the bankers get for nothing?

They get interest on the money they create and lend, and title to people's properties by confiscation of prop' erties pledged, if the loans are not repaid at a specific time.

27. Does the Constitution of the United States provide that Congress should originate our money?

Yes. It is very specific and well defined: "Congress shall have the power to coin money and regulate the value thereof, and of foreign coin". Article I, Section 8, Part 5.

"Whatever power there is over the currency is vested in Congress. If that power to declare what is money is not in Congress, it is annihilated." (Justice Strong of the United States Supreme Court, Knox vs. Lee, 12 Wallace Reports).

28. Why did the Framers of the Constitution place the power to coin money and regulate the value thereof in the Congress of the United States?

Because they understood the fundamental principles of government, and the blessings of an honest money system as against the curse of a dishonest one.

29. Can Congress delegate a power, reserved to it by the Constitution as a public function, to be operated for private profit without specifications?

No, not without violating the Constitution of the United States.

30. Has Congress delegated for private profit and without specification the power to originate our money?

Yes, by the National Bank Act of 1863 and the Federal Reserve Act of 1913, as well as intermediary and subsequent enactments.

31. But, are these not laws, passed by Congress?

No.! They are violations of Constitutional law, passed by Congress just as were the AAA (Agricultural Adjustment Administration) and NRA (National Recovery Act).

32. Why does this violation continue?

Because every time a Franklin, a Jefferson, a Jackson, or a Lincoln, or any other honest public servant attempted to arouse the people to the fraud from which they suffer, the private money creators—international bankers—arose in their might and used their controlled press, their bootlick politicians, their office boy bankers, their docile clergymen, and their power over the prosperity of America, to smash the drive for economic freedom. Thus far, they have succeeded.

33. How can Congress regain its privilege of issuing our money?

There is no need to regain what it has not the right to surrender. It still has that right, and can, and should immediately resume its exercise of this most important constitutional command.

\* \* \* \* \*

## RECAPITULATION

1. Money is any paper or coin imprinted or impressed by the Government seal to be used as a medium of exchange.
2. The Government and not private individuals should create this money.
3. The present and unconstitutional creators of money now exercise this right, thereby lending their created money at interest, or at a profit. In this way they get something for nothing.
4. This "something-for-nothing" becomes the farm or the home or the factory if the citizen-borrower cannot repay the loan.

## THE ORIGIN OF OUR PRESENT MONEY

1. When an individual borrows money from a bank, does the banker lend him money that other private individuals have brought to the bank?

No. That is what the bankers would like to have you believe, but it is not true.

2. What, then, do bankers lend?

They lend "promises-to-pay" money. Until the passage of the Gold Bill of 1934 their audacity extended to the point of lending "promises-to-pay" up to 30 times the amount of gold they had in their vaults. (Federal Reserve Banks).

3. How do banks create money out of nothing by mere book keeping entries?

By the following manufacturing process:

John Jones, a business man, needs \$10,000. He goes to the bank and explains the nature of the business he proposes to conduct. He takes to the bank certified figures indicating the value of his business, factory, farm, home, etc. If the banker is satisfied with the amount of real wealth to be pledged, he gives John Jones a note to sign. This note is a mortgage upon the wealth John Jones owns, and gives the banker legal power to confiscate the wealth, if John Jones does not pay at a specified time the number of dollars he is borrowing. The banker then manufactures the money on his ledgers.



## 4. How does he do this?

When the banker accepts John Jones' note, on the asset side of the ledger he writes:

	Assets	Liabilities
Loans and Discounts .....	\$10,000	
On the liability side he writes:		
Deposits .....		\$10,000

At that instant, there is \$10,000 more money in exist' ence and available for use than before the banker made these entries.

## 5. What does John Jones do with this bookkeeping money?

He goes back to his factory with a bank book, not with actual currency, showing a deposit to his account of \$10,000.

## 6. What is the exact nature of the item on bank balance sheets called "Deposits"?

The "Deposits" are actually and legally nothing but liabilities of the bank. They are the money the bank owes, not what it has. A bank deposit is actually a bank's promise, nothing more. Millions of Americans learned that to their sorrow during the past few years.

## 7. What can John Jones do with this newly created deposit?

He can and does write checks against this deposit to pay laborers, buy raw materials, and pay general over-head, incident to carrying on the manufacture and dis-tribution of wealth.

## 8. How is this possible?

Other banks are doing the same thing at the same time. A bank against which checks are drawn receives the proceeds of similarly manufactured deposits in other banks. Each bank receives checks drawn on other banks which offset those drawn against it. They all have to work together. If there were only one bank, the fraud would be soon discovered.

9. Is this process honest where John Jones pledges real wealth to secure the banker's fictitious bookkeeping money?

No, because it enables the banker to lend purchasing power (money) which costs him nothing but the general overhead of running a bank, and forces John Jones and all of the American people to pay interest for the existence of bankers' bookkeeping money, with which 95% of American business is transacted.

10. When the banker manufactured \$10,000 and loaned it to John Jones, who began to write checks, exchanging that bookkeeping money for wealth and services, what happened to the price levels?

They were increased, because there was \$10,000 more money in existence than there was" prior to John Jones' loan. This new money came into existence, however, without a corresponding increase in the volume of goods and services, thus decreasing the unit value of money already outstanding. The value of outstanding money went down, which meant that the price level went up, i. e., the same amount of goods would then command more money. This principle is well recognized by all economists.

For example, if there are only \$10,000 in existence in the egg market and only 10,000 eggs to be had we will say that each egg is worth \$1.00. Now supposing that there are \$20,000 in existence in the egg market and still only 10,000 eggs to be had. Each egg becomes worth \$2.00. It is the old law of supply and demand. The double amount of money represents the demand. But the same quantity of eggs represents the supply. The egg merchants desirous of getting as much as they possibly can per egg will exhaust the supply of egg money.

11. Do the banks manufacture money to lend to private citizens only?

No. They also manufacture money to lend to the United States Government itself.

12. When the United States Government sells a billion dollars worth of new Government bonds, are those bonds bought with the savings of the citizens?

No, only to a very limited extent.

13. Then where does the money come from with which Government bonds are bought?

Let it be repeated, that the banks manufacture money to lend to the United States Government in the same manner as to private citizens. This astounding fact is not known and understood by the people, otherwise, they would not tolerate such gross injustices, for there' by the banks collect interest through taxation without having parted with anything.

14. What are the steps taken when the banks get Government bonds for nothing except the cost of making bookkeeping entries?

- (a) The Secretary of the Treasury instructs the Bureau of Engraving to engrave United States Bonds.
- (b) These United States bonds, which are a first mortgage on everyone's home, farm, business and income, are allocated to the local banks throughout the country. Each bank indicates how many bonds it wants. It will always ask for more than it hopes to get. Why not? This is a something-for-nothing proposition.
- (c) When these bonds are received by the banker, he makes bookkeeping entries just as he does when he receives a mortgage on all of the wealth of John Jones, the business man. On the asset side of his ledger the banker writes:

Assets	Liabilities
Government Bonds.. \$1,000,000	(if amount he is to receive)

On the liability side of his ledger he writes:

Deposits (U. S. Government)	\$1,000,000
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Uncle Sam then enters \$1,000,000 on his check book record, and can write checks against that particular bank up to \$1,000,000. The checks Uncle Sam writes and signs are money. He spends this money to pay government expenses. When new government bonds are taken into the banks in exchange for their book-keeping entries, new money is brought into existence. This is where the "over-subscriptions" come from, and not from the "investing public", as blandly stated by the controlled press. If you are reluctant to believe that this is the actual process now in use, we confirm this from no less an authority than the present Governor of the Federal Reserve Board:

"In purchasing offerings of Government bonds, the banking system as a whole creates new money, or bank deposits. When the banks buy a billion dollars of Government bonds as they are offered—and you have to consider the banking system as a whole, as a unit—the banks credit the deposit account of the Treasury with a billion dollars. They debit their Government bond account a billion dollars, or they actually create by a bookkeeping entry, a billion dollars." (Hearings before a Subcommittee of the Committee on Banking and Currency, United States Senate (S. 1715), and House of Representatives (H.R.5357, page 399, Seventy-Fourth Congress, First Session— Banking Act of 1935).

15. If banks create money, why cannot every bank acquire unlimited amounts of interest-bearing loans and investments?

Because every time a local bank creates additional money, this money actually represents only the promises of the bank. The local banker knows that the international banker controls the Central Banks, and the international banker can, and deliberately does, cause genuine depositors to lose "confidence". When they

lose confidence and want their money, the local banker's insolvency becomes apparent. There is a point where prudence must balance greed.

16. What is a common name used for this bank-manufactured money?

It is commonly called bank credit, or credit money.

17. Does it purchase wealth, and is it used for all transactions just the same as any other kind of money?

Yes, it has been substituted for actual national money.

18. What percentage of our total business is carried on with this bank-manufactured, so-called credit-money?

About 95%.

19. How is this credit-money transferred between individuals and banks?

By the use of checks.

20. What are checks?

A check is a written order upon a bank to transfer money from the account of one person to that of another, either on the books of that bank or to some other bank.

21. Do checks perform all the functions of money?

Yes, they are used to transfer the commonly used form of money. For clarification, the testimony of the Governor of the Federal Reserve Board is given:

"When I say credit in this connection, I mean money, because by far the largest part of money in use by the people of this country is in the form of bank credit, or bank deposits." (Hearings on H.R.5357, page 181, Banking Act of 1935).

22. Under this system of banks manufacturing money and building deposits with the proceeds of loans to individuals or to the government, is it possible to have any of this money of account in existence without either private in-

dividuals or the government going into debt to the banks?

No, it is not. No money of this kind can exist without debts being incurred. The greater the debt, the greater the volume of money.

"Money is created in our present system by banks loaning to corporations, to individuals, and to the Government." (Governor of the Federal Reserve Board, in Hearings on H.R.5357, the Banking Act of 1935, page 399).

23. What are the basic fallacies of this system of money origination?

- (a) This system forces every citizen to pay tribute (interest) to the bankers for the very existence of the necessary medium of exchange. We quote the following from expert testimony on Hearings before the Banking Act of 1935:

"Society has everything; the banks have nothing, and yet we go through this farce of borrowing money from the banks and creating the impression that it is inflation for society itself to issue the necessary me-dium of exchange with which to conduct the coun-try's business." (Hearings on H.R.5357, page 401).

- (b) Since practically all of our money comes into existence as loans, it carries interest. Every person who uses money is thereby forced to pay an invisible tax to people who have done nothing to earn it. The fact that people are paid for their work in dollars instead of actual wealth makes them, as producers and consumers, carry this burden of invisible taxes. Today this is the biggest annual tax the American people pay, yet, few of them realize how they are being surreptitiously bled.

"Why should John Smith, carpenter, who has worked 8 hours for James Jones, home owner, have to pay tribute to Charles Allen, banker, for the privilege of receiving as pay, not physical goods from Jones, but purchasing power in the form of dollars.



"Yet that is exactly what happens, for practically every dollar which stands to Jones' credit at Allen's bank has been created by a loan from Allen's bank (or some other bank), to some one, and this dollar eventually found its way into Jones' bank account. "And any banker will verify this also, even if he has never thought of it in just this way or has never visualized the fact that under present law, money can not exist without somebody being charged interest upon it by certain highly privileged private entities called 'banks'. (Only a few hundred millions out of over 40 billions in the money stream today are non-interest bearing money.)"—From "Money Creators", page 150.

- (c) When anything is loaned, it may be recalled. Therefore, the amount of money in existence is always subject to being cut down because bank' ers have only to call their bank loans and refuse to make new loans to force out of existence our necessary medium of exchange. As bank loans are called and money is cancelled out of existence, price levels drop. The immediate disastrous effect of falling and distorted price levels is unemployment, stagnation and foreclosures of real wealth.

Since our money is loaned into existence and may be recalled, we have a collapsible money structure—an accordion money structure—that may be collapsed to suit the pleasure and caprices of Central Federal Reserve Bankers who have no responsibility toward society to keep a sufficient volume of money in existence to conduct business at honest price levels, and who harvest other persons' properties when they collapse prices. "In our past history we have had periods of prosperity by the process of building up debt (bank deposits), and then periods of depression by the process of bankruptcy and the extinction of debt (paying loans)." (Testimony on Hearings of H.R.5357, Banking Act of 1935, page 397).

24. When John Jones, the business man, is forced to pay his loan at the bank, what happens to the volume of money in the nation?

It is reduced by the number of dollars that John Jones pays.

25. What entries does the banker make upon his books?

When John Jones pays off his loan of \$10,000, he writes a check for \$10,000 on his checking account, making the check payable to the bank itself. This obviously reduces his "deposit" account by that sum. But it also reduces the bank's total deposits by the same sum. The instant the book entries are made, the money in this bank is reduced by \$10,000. Jones also gets back his note and collateral, which reduces the sum which the bank had carried as "Assets". The actual transaction of paying off this loan reduces the amount of money in existence in the nation.

26. What happens when a large number of business men are forced to pay their loans?

A large volume of the necessary medium of exchange is extinguished, i.e., cancelled out of existence.

27. What is the direct result of this?

Falling and distorted price levels, unemployment, loss of incomes, foreclosures, and the resultant concentration of ownership of wealth in the hands of a few.

28. What is currency?

Currency is the billfold money—\$5, \$10, and \$20 bills, which people carry in their pockets.

29. About what percentage of our business is transacted with the use of currency?

Only about 5%. Currency is used merely for convenience to handle small transactions and to avoid the in-convenience of being identified when money is transferred through the use of bank checks.

## 30. Where do the banks get currency?

This question is discussed in the following chapter entitled "The Federal Reserve System". For a full discussion of the kinds and origin of currency and tokens in use in the United States, the reader is referred to "Money Creators" by Gertrude M. Coogan, pages 151 to 161.

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## RECAPITULATION

1. Money originates by private bankers making loans to individuals or to the Government.
2. The individuals and the Government pay a tribute of unearned interest to the private bankers for lending money into existence.
3. Money loaned into existence forces all persons who use money to pay an invisible tax on the existence of the necessary medium of exchange.
4. When the medium of exchange (money) is cancelled out of existence by the payment, or call, of loans, the volume of money is decreased.
5. When the volume of money is decreased price levels fall, wages are cut, homes are confiscated and the financial structure collapses.
6. When this collapse occurs, the bank'deposit-money and currency money—\$5 and \$10 bills—are not sufficient to conduct business.



## THE FEDERAL RESERVE SYSTEM

1. Are the Federal Reserve Banks really Federal?

They are not. The Federal Reserve Banks are private stock corporations owned entirely by other private corporations known as member banks. They are no more Federal than the Federal Bakery or Federal Laundry.

2. Does the United States Government own any of the stock or participate in the profits of the Federal Reserve system?

It does not.

3. What is a Federal Reserve Bank?

It is a Central Bank, the bankers' bank.

4. How many are there?

The United States is divided into 12 regions or districts. Each district has a Central Bank called a Federal Reserve Bank. e.g. The Federal Reserve Bank of Chicago, The Federal Reserve Bank of New York, Dallas, St. Louis, etc.

5. What is a member bank of the Federal Reserve System?

A member bank is the local bank with which you do business directly.

6. Who owns the Central Federal Reserve Bank in each district?

The member banks. Each member bank is required to purchase stock in the Central Bank of its own district to the extent of 6% of the amount of its capital stock outstanding. e.g. If a bank has \$1,000,000 capital

stock outstanding, it must buy \$60,000 of the stock in the Central Federal Reserve Bank in its particular district.

7. What is the real purpose of the Federal Reserve (Central) Banks?

To permit a few private individuals to dictate to the local banks when they may increase the volume of money in existence, or when they must cut down the volume by increasing or decreasing their reserves.

8. Is the Federal Reserve System similar in purpose to the commonly called "great" Central Banks of Europe?

Yes, individuals own and manipulate the privately owned Central Banks of Europe—the Bank of England, Bank of France, Bank of Italy and the Reichsbank, which made slaves of the industrial workers of Europe and peasants of the farmers. (For a full discussion see "Money Creators" by Gertrude M. Coogan.)

9. Can a local banker refuse to follow the dictates of the Federal Reserve Bankers?

No. He must expand his loans, or call them in, as he is forced to do, regardless of what his own honest judgment may be.

10. Must all local banks become members of the Federal Reserve System?

Yes. All National Banks must be members of the Federal Reserve System. Until recent years it was optional with State chartered banks, but since the advent of R. F. C. loans, R. F. C. Preferred Stock, and the mis-named Federal Deposit Insurance Corporation, it is practically impossible for a State bank to remain outside the system.

11. Have the Federal Reserve Bankers means whereby they control the local banks?

Yes, the Central Bankers have means by which they can change the amount of reserves of the local banks on the books of the Central Federal Reserve Banks. These means are:

- (a) Changing the size of the gold base by shipping gold from the country.
- (b) Changing the rediscount rate.
- (c) Open market operations.

(See a further explanation in the appendix.)

App. I Section 1. Each Federal Reserve Bank has a fractional amount in gold or gold certificates of the total amount of de-posits (reserves) of member banks on its books. Prior to the Banking Act of 1933, the law required each Federal Reserve Bank to keep in gold 35% of the amount of the reserves of the member banks.

12. When a local bank has created and loaned into existence all it can with its existing reserves, what happens?

Ah, we will now let you in on the principal part of the scheme. The local banker may take John Jones' note and borrow from the Federal Reserve Bank, using John Jones' note as collateral. The Federal Reserve Bank will add to the reserves of the member bank on the books of the Federal Reserve (Central) Bank the face value of John Jones' note, less the interest charged for the unexpired period. The rate charged (rediscount rate) is an arbitrary figure and is raised or lowered to suit the plans of the Central Banker. Let it be emphasized that when a Federal Reserve (Central) Bank makes a loan to a member bank on John Jones' and other business men's collateral, it does NOT lend actual money as a rule, but only lends its promises, just as the member bank lends its own prom' ises to the ordinary business man borrower. In other words, the Central Banks are bankers' banks, where bankers themselves borrow. Thus, the Federal Reserve (Central) Banks are convenient instruments for controlling local bankers. Federal Reserve (Central) Bankers



have only to force local banks to pay up their loans, to bring about a collapse in the deposits created out of loans which business men are using for money. (See a further explanation in the Appendix I Section 2.)

13. Do the Central Federal Reserve Banks create money?

Yes, they likewise make bookkeeping entries with which to purchase government bonds from the member banks. When they "buy" paper from the local banks, they debit Federal Reserve Credit, and credit Deposits. In this case, the amounts are added to the accounts belonging to one of the member banks. (Reserves of the member banks).

14. Why are the Federal Reserve Bankers called international bankers?

(1) Because they export gold from the country (2) because they manipulate international loans (3) because they manipulate our government bonds.

15. Why are they all powerful?

Because they can force the local (member) banks to call their loans and cancel money out of existence, thereby bankrupting business men in every city and State.

16. Besides being able to control the total volume of Federal Reserve money, what other vast power is today exercised by the Federal Reserve Banks?

They can and do decide which business men may borrow money from a member bank.

17. How do they do this?

They have the power to decide which business men's loans are acceptable by the Federal Reserve Bank, and can also dictate the rules and regulations to be enforced by the bank examiners.

18. Why is it dangerous and unjust to allow a small group of men to dictate who may or may not borrow money?

Because they can force local banks to lend money ONLY to a few large corporations, thereby stifling and ruining small individual enterprises.

19. What are Federal Reserve Notes?

They are the camouflaged, privately-issued \$5, \$10, etc. bills which you carry in your billfold, and constitute practically all of the currency in use today. The very word "Note" means a promise. The Federal Reserve Notes are promises to pay money. The National Bank Notes were also promises to pay money. Very seldom do we see any money marked honestly "Mon-ey", or so many dollars. The whole tricky system is built upon promises, and the lending of promises. This has resulted in the incredible situation in which the lender collects interest upon the money he owes. Small reason that such a contradictory system has been protected with a smoke screen of faked mystery.

20. How do the member banks get Federal Reserve Notes?

The United States Government maintains a Bureau of Engraving at public expense. Member Banks obtain Federal Reserve Notes from their Federal Reserve Banks. The Federal Reserve Banks obtain Federal Reserve Notes by sending to the United States Treasury Government Bonds to the face value of the number of \$5, \$10, etc. bills desired. The United States Treasury places the government bonds in sealed containers on which is labeled the name of the bank from which the bonds came. The bank receives from the Bureau of Engraving Federal Reserve Notes to the full face value of the bonds sent to the United States Treasury. The local banks lend these Federal Reserve Notes to their customers as currency. While these Federal Reserve Notes are in circulation the bank which pledged the bonds, collects the interest coupons from the bonds sent to the United States Treasury as collateral for the Federal Reserve Notes. Let it be made clear that the banks obtain government

bonds by merely making bookkeeping entries. They then use these same government bonds so "bought" to obtain Federal Reserve Notes from the United States Treasury. They collect interest on the bonds deposited with the United States Treasury but they pay no in-ter-est on the currency they receive from the United States Treasury.

21. Why does this dishonest practice endure?

Because the people do not understand what is going on.

22. What inscription is engraved on a Federal Reserve Note?

"The United States of America will pay to the bearer \$5.00 on demand." This inscription is used to de-ceive the people, and is intended to mislead them into the belief that the United States Government orig' inates the Federal Reserve Notes. Federal Reserve Notes are carrying interest because the bonds "back of them" bear interest. The very fact that the statement "The United States of Amer-ica will pay to the bearer \$5.00" is placed on the bill, is engraved admission that the power to issue money belongs only to the United States Government. This had to be placed on each bill to make the people ac-cept it as money.

"We have not only been deceived but we have been charged and made to pay the whole cost of maintain-ing the system with which they have done the de-ceiving . . .

"No one with an ounce of brains, unless filled with injustice, or a mere hireling, will defend such a prac-tice." (From "Why is Tour Country at War" by Charles A. Lindbergh, Sr. Pages 33 and 61.) (See a further explanation in Appendix I Sec. 3.)

23. Do the Federal Reserve Banks pay taxes?

"Federal reserve banks, including the capital stock and surplus therein, and the income derived there-



from shall be exempt from Federal, State, and local taxation, except taxes upon real estate." (Federal Reserve Act, Section 7, Page 15).

Therefore, the Federal Reserve Banks pay no taxes on any business transactions, although they are private corporations like Ford Motor, United States Steel and the New York Central Railroad Company. The only tax they pay is the insignificant real estate tax, which is completely off-set by the palatial vault being built at Fort Knox, Kentucky by the Federal Government to house the privately controlled gold held by our Government for the Federal Reserve Banks. Of the \$10-billions of gold in this country, only \$435-million is now (Feb. 1936) in the full possession of the United States Government.

### RECAPITULATION

1. Private corporations own the Federal Reserve Banks.
2. Federal Reserve Banks create money which they lend to the member banks.
3. Member banks must deposit on the books of the Federal Reserve Bank as high as 13 % of their total demand deposits and 3 % of their total time deposits.
4. These deposits which belong to the member banks are called their reserves, and these are manipulated by the Federal Reserve Bank which thereby forces the member bank to call its loans and thus create depression.
5. Member banks receive their currency money from the Federal Reserve Banks.
6. Federal Reserve Banks obtained this currency from the United States Bureau of Engraving, at a cost of thirty dollars per thousand bills, the mere cost of engraving.
7. Thus the Federal Reserve Banks got the bonds for nothing. They use the bonds as the base against which to print currency, which, therefore, they get for nothing.

# DEBTS

### 1. What are debts?

Debts are legal or moral contracts to pay specified numbers of dollars on indicated dates.

### 2. (a) Are debts physical realities?

No, they represent mathematical quantities, and call for the payment of dollars and not specific amounts of wealth.

### (b) Were debts always contracted in terms of mathematical quantities?

No. Formerly a person who borrowed a bushel of wheat contracted to pay back a bushel of wheat. Since the rise of modern capitalism a person who borrows a bushel of wheat promises to pay back not in bushels of wheat but in dollars or cents.

### 3. Do debts rot, deteriorate, or become obsolete in the physical sense as does wealth?

No, debts are mathematical quantities and follow the laws of mathematics, not of physics. Hence debts increase in mathematical progression.

### 4. By what means do debts increase in mathematical progression?

By the means of interest which, when it is due, is added to the principal of the dollar debt and thus permits debts to increase.

### 5. What is interest?

Interest is a payment in dollars to a lender during the time that a debt remains unpaid. It is usually reckoned as a yearly percentage of the number of dollars owed.

6. Is a mortgage a mathematical form of debt?

Yes. A mortgage is a legal instrument by which its holder may acquire title to property, if the terms under which dollars were loaned are not fully met.

7. Is a bond a mathematical form of debt?

Yes. A bond is an interest-bearing debt certificate, calling for a definite number of dollars.

8. Are bonds and mortgages wealth?

No. They are legal claims to confiscate wealth if the terms under which dollars were loaned are not met.

9. What can the holder of debts do with the interest received?

The interest received in dollars can be used to purchase wealth (food, clothing and shelter).

10. Are all bonds and mortgages genuine loans?

Not necessarily. Because sometimes bonds or mortgages are obtained through the creation of fictitious money.

11. What is a genuine loan?

In making a genuine loan the lender advances real money which represents a transfer of real purchasing power. Thus, if "A" earns \$1000 working at the production and distribution of wealth, he may exchange that \$1000 for wealth, or he may abstain from using or possessing wealth and lend his \$1000 to another. If he lends his \$1000 so acquired, he is a party to the making of a genuine loan.

12. Is it moral to charge interest on loans?

If the loans are fictitious, it is immoral. If the loans are genuine, it is moral provided these loans are made for productive purposes and at reasonable interest rates.



## 13. What is a loan for productive purposes?

If, when "B" borrows "A's" \$1000, he uses that money to acquire some instrument of production (machinery, tools, buildings, etc.), he will possess producer goods which he can use to produce a new supply of wealth. With the dollars he receives for the wealth produced by this machine, he can pay interest to "A", which interest represents a partial share in the new wealth. If, during the life of the producer goods (machinery, building) "B" acquired, he uses a part of the proceeds from the sale of the wealth produced each year to repay the principal of the loan to "A", the entire debt may be wiped out before the producer goods are worn out or become obsolete.

## 14. Are genuine loans for productive purposes unsound?

No, so long as the interest charge is reasonable and the loan is repaid during the useful life of the asset acquired by "B" who borrowed the money.

## 15. Are genuine loans for non-productive purposes unsound?

Generally, yes, because Christian teaching does not permit a Christian to charge interest on an enterprise which, it is certain, produces no wealth.

## 16. Are genuine loans for destructive purposes unsound?

Yes, because it is not in harmony with Christian principles to destroy anything to begin with let alone to charge interest on the money used in causing the destruction. e.g. War loans. Be it repeated, that interest may not be charged even on genuine loans unless these loans are for productive purposes.

## 17. When a genuine loan is made for productive purposes, is there an increase in purchasing power?

No, purchasing power is merely transferred from one individual to another.

18. When banks make fictitious loans, is there an increase in purchasing power?

Yes, because banks do not make genuine loans, they merely create the money which they lend. When banks lend, there is no production and abstinence involved in order to lend. Let it be repeated that banks bring money into existence by making loans (debts).

19. What is the justification for interest on genuine productive loans?

The use of the instrument which the borrower purchases with the money borrowed facilitates the production of more units of wealth. Therefore, the lender may honestly receive a reasonable share of the proceeds from the new wealth thus produced when it is sold.

20. Is there a more equitable method of investing savings set aside to provide for the future than the method of lending?

Yes, the money may be used to buy title to the whole, or part, of an industry, that is, the saver may become a direct owner of the instruments of production. e.g. Buildings, machinery, etc.

21. What is investing in direct ownership commonly called?

It is commonly called acquiring title to property through buying a part ownership of the capital stock of a corporation.

22. What does capital stock of a corporation mean?

Honestly defined, it means the number of dollars which the owners of the business have invested and which the corporation used to buy buildings, machinery, etc.

23. What does capitalization of a corporation mean?

The number of dollars originally invested by the owners, plus the dollars that have been earned but have not been paid out to the owners. The dollars earned and not paid out constitute what is known as the surplus.

24. Does the surplus in a corporation's possession usually exist in the form of money?

No, in most cases, it does not exist in the form of money. The earnings have been used to buy additional plants, machinery, etc.

25. What does over-capitalization mean?

It can best be described by using the common term "watered stock", which is stock issued not in return for dollars received from the owners and honestly invested in plants and equipment, but capital stock issued without there having been an actual investment of the number of dollars stated on the stock certificate. It is dishonest

26. What are dividends?

Dividends are cash payments made to the owners of capital stock. They should constitute a part of the profits (earnings) of the corporation. Dividends are the money return paid to the owners of a business.

27. Are profits and dividends on honest capitalization necessary?

Yes, those who save and invest in the ownership of the instruments of production are honestly entitled to a share in the new wealth produced with those instruments.

28. How is capital stock "watered" and made to represent fictitious values?

Largely by the banks in great metropolitan areas, such as New York, where banks manufacture money to lend to pool operators. These pool operators use this bank-manufactured money to boost the price of stocks higher than these stocks would sell on the basis of the properties owned by the corporations and the legitimate earnings derived from the proper use of the corporation's properties.



29. Then, is the arbitrary power of the banks to manufacture and destroy money the primary cause of watered stock and dishonest dividends?

Yes.

30. Have we had a striking example in recent times of the banks manufacturing money to boost prices of stocks?

Yes, between 1923 and 1929 the banks loaned to pool operators between six and seven billion dollars. This gigantic sum was manufactured both in the large and small banks as loans to men whose business it is to manipulate stock prices.

31. What was the cause of the crash in the prices of stocks in 1929?

The same international financiers who directed the work of the pool operators, offered enormous volumes of stock "at the market". At the same time they saw to it that the banks that had been lending gigantic sums to pool operators—and the unsuspecting public—with-drew those sums. Between 1929 and 1932 the amount of money (brokers' loans) loaned to pool operators was cut down from nearly seven billion dollars to less than one billion dollars.

32. Why is investing in direct ownership more equitable and better for society than lending money and taking bonds or mortgages?

Money directly invested (in ownership) shares in the earnings as well as the risk. Money invested in owner-ship can be repaid with a share of the profits earned each year while the property is in use. When the property wears out or becomes obsolete, the investor has no legal claim, which he should not have.

33. Why should he not have further legal claim?

Because wealth can be consumed only once. When raw materials are converted into instruments of produc-

tion, in a scientific sense, they are consumed, because they can be used only for the specific purpose for which they are built. The investor-owner should re-ceive his share of the new wealth produced each year while the instrument of production is serving society, but he should not be able to claim his original num-ber of dollars as well as his honest share in a part of the consumer wealth produced each year.

34. Does money invested in some bonds and mortgages act ually and legally entitle the owners of those bonds to re-ceive a lion's share of the new wealth produced each year, as well as a return of his original dollars?

Yes, and for that reason such loans are unsound and physically impossible. If money is loaned to a corpo-ration, the payment received each year should repre-sent, partly, a share in the new wealth produced each year and, partly, a return of the dollars borrowed. Debts (mortgages or bonds) extending beyond the useful life of the assets acquired with the money bor-rowed, can never be honestly repaid. If such debts are repaid, it is at the expense and through the ex-ploitation of innocent members of society. (Labor).

35. Is widespread ownership of the instruments of production desirable for all classes of society?

Widespread ownership serves all classes to the best advantage. As producer goods (instruments of pro-duction) wear out, they must be replaced by construct-ing new producer goods out of available consumer goods. Consumer goods do not become producer goods until they are fabricated into permanent form and thus rendered unavailable for use in any other form. It is necessary that genuine savings be available each year for investment in new instruments of production. When the incomes of the masses of the people are not high enough to permit them to live and have savings for investment, new capital instruments can-not be constructed, and mass poverty is the result.

36. Can wealth be consumed more than once?

No, consumer wealth is used up in directly sustaining human life or is molded into an instrument of production. The only method by which a loan made to build this fixed wealth can be repaid, is with a part of the new consumer wealth produced each year through the use of this instrument of production.

37. Do men direct the processes of wealth production?

Yes, physical and mental labor are necessary in the direction of the productive processes. Consequently, those who are working are entitled to a share of the new wealth produced.

38. What happens when legal titles to consume wealth (bond coupons) claim too large a portion of the new wealth produced?

If such claims are satisfied, it is physically impossible to produce sufficient wealth to give the laborers the share to which they are entitled to maintain themselves in a condition to continue their work.

39. Are the laboring class in America suffering from this vice?

Yes. The stockholders and bondholders of corporations are the first members of society protected. In order to make big profits and pay large dividends the laborers are paid the lowest possible wages on the basis of "while they work". Stockholders are paid dividends on an annual basis.

40. What is the first moral obligation of a corporation?

Its first moral obligation is to pay labor a just and living wage for its hire. Its second moral obligation is to pay bondholders and stockholders their interest and dividends.

41. Are wages, like bonds, stocks and mortgages, mathematical debts?

Unfortunately, no, in the philosophy of modern capitalism.



42. Should wages be paid on an annual basis for what the laborer produces and not measured by the hours he works?

Yes, according to Christian philosophy. The parable of the vineyard where the laborer who was called at the eleventh hour received as much as the laborer who was called at the first hour is ample substantiation.

43. Do we have a large number of fictitious loans in this country?

Yes, practically all of the United States Government bonds are purchased through fictitious loans made by the banks. Those who clip the coupons from these bonds get titles to consume wealth without having actually helped to produce it.

44. How do debts of mortgages and bonds increase?

Debts are mathematical quantities and so increase. A given debt will double, redouble and redouble toward infinity with the reinvestment of the interest over a given number of years, dependent upon the rate of interest received. The following story illustrates the operation of compound interest:

In 1340, King Edward III, of England, effected a loan of a sum equal to \$12,000,000 from the famous Peruzzi banking house of Florence, Italy. After the close of his successful war with France, the bank presented its account for payment, but the King pleaded poverty, and asked an extension. Another demand was made with like result. Finally the King issued a proclamation repudiating the debt. The following is quoted from the "Banker and Investor" of November 15, 1901: "The Peruzzi family are still in existence and hold a respectable position in Italy. Ever since 1340 they have kept on dunning the Sovereigns of England for their money. Every 10 years, they forward a statement of their claim to the British government, but the latter shows no indication of paying it. The sum of \$12,-000,000 borrowed by King Edward III would, at a moderate rate of interest, compounded annually since 1340, run into twenty-six figures. The proofs of King

Edward's indebtedness are in the tower of London." T w e n t y - s i x figures! \$10,000,000,000,000,000,000,-000,000. Ten octillion dollars!

Here is a typical example of a fictitious loan made for destructive purposes. The amount of \$12,000,000 is insignificant compared to the many, many billions which the American people spent to conduct the World War. In a few years from today these debts must be repudiated or else the children of this and the next generation will be reduced to peonage. If even one portion of the King Edward III debt were paid in real money today, the amount would purchase more wealth than all this world contains and enable every citizen of every nation in the world to live in princely fashion, provided some one (perhaps a fairy Godmother) could produce the wealth.

45. Who owns the major portion of our national debt today?

The Federal Reserve Banks and their members own at least \$17-billion of our public debt which bears interest at approximately 4%. This means \$680-mil-lion yearly tax tribute (interest) must be paid by the taxpayers of the United States to these bankers who created out of nothing the money by which they acquired these debts.

46. Is this \$17-billion free from taxation?

Yes, the bankers pay no taxation whatsoever on the bonds which represent these debts.

47. Who owns the remaining portion of our national debt?

Insurance companies, corporations, universities and private individuals.

48. Should there be tax-exempt bonds in existence?

Absolutely no. All who hold title or claim to wealth should be taxed equitably in proportion to the wealth to which they lay claim.

49. Are the names of these bondholders available?

Generally speaking, no. The Government protects the names of those who own our nation's debt.

50. Besides demanding dollars which are permitted to be compounded as interest on loans, do the debt merchants further increase the burden of their claims?

Yes, they manipulate the number of dollars in existence. When debts are paid in a slump, the dollars will buy more wealth than the dollars loaned in a boom. Since debts are payable not in wealth but in money, the debt merchants are able, by deliberate juggling, to outdo even the burdens of compound interest. That they understand these things well is attested by their success in achieving the vicious concentrations of wealth which our day witnesses.

51. What is the nature of War Bonds?

The War Bonds represent fictitious loans, the proceeds of which were spent for consumer goods destroyed a generation ago. Yet, the interest coupons are clipped and used to buy consumer wealth, or are reinvested to buy more debts. The result is that this generation is still paying because the United States was a party to fictitious loans to conduct the War.

52. Why are mortgages which represent fictitious loans, or loans made to purchase consumer goods vicious?

Because the owners of those mortgages can legally claim a share of the new wealth produced each year. If they have obtained mortgages through fictitious loans, they are getting something for nothing at the expense of the workers.

53. Do we confine loans and legitimate interest payments only to genuine loans made for productive purposes?

No, we permit fictitious loans, as well as allowing Nations, States, Cities, etc., to borrow gigantic sums to be spent for non-productive purposes.

54. Why do such practices lead us into economic and social misery?

Because they are unscientific and unchristian, and the interest on such loans over a very few years becomes



an unbearable burden which each oncoming generation is unjustly forced to assume.

"I have said that everything is paid for in the generation of the living or never. That means in a physical sense. It is the natural law, but in conflict with it, banking has created an arbitrary law by which we contract 'paper debt', and agree to pay a premium that never has been and never can be earned, but is simply extortion. That kind of a debt can be and has been heaped increasingly upon the people of each succeeding generation. It was heaped upon us more heavily than upon any previous generation. Unless we revoke it, we will pass it on to the next generation as a still greater burden to it, unless the people then shall possess the good sense to equitably revoke it." (From "Why is Your Country at War" by Charles A. Lindbergh, Sr. Page 31.) \* \* \* \* \*

#### RECAPITULATION

1. In modern society debts are mathematical quantities, obligating the borrower to pay principal and interest in dollars.
2. The borrower is legally obligated through a bond or a mortgage.
3. Holders of bonds and mortgages can legally claim a share of the new wealth produced each year.
4. Consumer wealth cannot be produced without the necessary instruments of production.
5. Instruments of production demand that just debts should be genuine and for productive purposes.
6. A genuine loan for productive purposes is legitimate and moral while a fictitious loan or even a genuine loan for non-productive purposes is illegitimate.
7. A sample of a non-productive debt is a war loan, commonly termed a war bond.
8. Interest on war bonds and all fictitious loans for non-productive purposes over a few years would require the payment of more dollars than could possibly be represented in real wealth in this world.

## PRICES

1. Do the words "values" and "prices" mean the same thing?

No, they do not. A thing is valuable in proportion to its use in supplying man's necessities.

2. Do some very valuable things command no price?

Yes. e.g. Sunlight and air.

3. Can the word "price" be used excepting in connection with money?

No. The price of a thing means its exchangeability for money.

4. What is a dollar?

A dollar is the unit used in the United States in designating the relative exchangeability of the numerous kinds of wealth.

5. What does exchangeability of money for wealth mean?

It means how many bushels of wheat or of corn, how many eggs, how many pairs of shoes or pounds of butter, etc., can be traded for a given amount of money.

6. Do certain natural forces affect the supply of individual items of wealth that are exchangeable?

Yes. Drought lessens the supply of wheat. Climatic conditions lessen the supply of eggs and butter. Fires and earthquakes lessen the supply of shoes and manufactured goods when factories are destroyed.

7. In these cases, is it logical to expect higher prices?

Yes. Because the supply of these items of wealth is lessened in proportion to the ordinary demands.

8. Arc changes in the supplies of the items of wealth the only cause of changes in prices?

No. Because, due to our illogical money system, we also suffer from a decrease or increase in the amount of money available for exchange purposes.

9. What causes the decrease or the increase in the volume of money?

The arbitrary will of those who exercise the creation of money.

10. Since an increase or a decrease in the volume of money in existence is left to the arbitrary will of those who create it, can a dollar be the standard of value even though the supply of items of wealth is not changed?

No. It is not the dollar, but what it will buy that constitutes its purchasing power. Too many dollars, or too many receipts for wealth, beget high prices. Too few dollars, or too few receipts for wealth, beget low prices.

11. Does the United States Government permit dry goods measures to change the number of inches in a yard?

No.

12. Does the United States Government permit the debt merchants or private coiners of money to change the number of pennies required to buy a dozen of eggs or a pair of shoes?

Yes. Therefore, the present dollar is not the yardstick of value.

13. Is it logical or sound to state that there should be fixed prices?

No, it is not, because nature fluctuates the supplies. But if the supply is normal, price indices should not fluctuate widely and would not fluctuate if the money supply were kept adequate and were not manipulated.



14. Is it sound economics for wheat to sell at \$1.50 a bushel one year and \$1.00 a bushel the following year without there having been any material change in the supply or the demand for wheat?

No. One hundred pennies in the dollar should purchase about the same amount of wheat every year, provided the actual supply and need for wheat remain about the same.

15. Have we experienced a wide fluctuation in the purchasing power of the dollar even when the actual supply and demand of useful commodities remained about the same?

Yes. Because the manipulators of money either withdrew or added to the supply of money in existence with no regard to the supply of wealth in existence.

16. What is the test as to the honesty of the amount of money in use in a nation?

It is the constancy of the amount of money required to buy definite amounts of a specified variety of wealth. The amount of money required to purchase a given amount of wealth (the necessities of life) should remain about the same. An artificial decrease in the supply of wealth must never be permitted, neither should an artificial increase or decrease in the amount of money and its ratio to the wealth to be exchanged be permitted.

17. Is it sound economy to raise prices by destroying wealth?

No. It is unsound, unchristian and illogical because money is not wealth. It is not permissible to create scarcity in order to raise the exchangeability of wealth for money.

18. If prices need changing, how should that be accomplished?

Not by destroying wealth, but by changing the amount of money in existence. Money is a man-made instrument, the quantity of which can be controlled by man at any time. But wealth is not purely man-made. It

is produced only through man's proper use of God-given natural resources.

19. Why do unsound economists practice the philosophy of destruction in order to raise prices?

To increase the burden of the fictitious debts owed by society to those who own debts, indifferent to the present prosperity of society itself. This unsound practice is so radical that it will result, if carried on, in the destruction of Christian society itself.

20. What are raw material prices?

Raw material prices are the indicators of the number of dollars for which a variety of commodities in their first raw state will exchange for money. Such commodities are wheat, corn, hogs, iron, oil, etc.

21. Are most raw materials consumed by human beings in that state?

No, they are processed into a more useful form. This processing is called manufacturing.

22. How is the selling price of the manufactured article apportioned?

It is apportioned among raw material producers, laborers, tax collectors, interest coupon holders and owners of the plants and equipment used.

23. Why is a fair and honest division of the money derived from the sale of all finished wealth necessary?

Because each class of producers can consume only in accordance with the dollars received. E.g. the farmer, the miller, the baker, the restaurant keeper. If a producer does not receive adequate dollars for helping to produce a dinner or an automobile, he cannot buy a dinner or an automobile.

24. What is meant by honest raw material prices?

Prices which are in fair proportion to the prices of manufactured goods.

25. Why is it necessary to have honest raw material prices?

Because large parts of our total population are engaged in the direct production of raw materials. When they do not receive sufficient dollars in exchange for their wealth, they cannot be purchasers and consumers of finished manufactured wealth.

26. When farmers cannot buy city manufactured goods in large volume, what happens?

The city plants, factories, and transportation systems must operate well below capacity. Hence, they cannot employ full staffs, and those laid off, together with those reduced to part time work, are deprived of an outlet for their labor and their wages, which, in the final analysis, they exchange for farm products. This, in turn, speeds up the downward spiral of a depression by reducing the sale of farm products and the volume of factory goods which farmers can buy.

27. Do high raw material prices increase the cost of living?

No. Because the bare cost of the raw materials, in most factory products, is a mere fraction of the final price to the consumer.

28. How do high prices for raw materials lower the cost of living in the cities?

By giving the producers of raw materials (farmers, etc.) more money with which to buy the output of city factories. When city factories can operate at volume, they can employ full staffs, which increases the mass purchasing power. Full volume lowers the per unit costs of production because certain fixed costs, such as taxes, interest and depreciation, can then be charged to a much larger number of units, hence, reducing those costs per unit.

29. Then, does it follow that sufficiently high raw material prices lower the cost of living?

Yes, because farmers and raw material producers (totaling in America today about 55 million people) con-



stitute our broad market for city manufactured goods. A broad market is a distinct advantage because volume production and distribution cut down the per unit cost of all the fixed charges attached to the production of all forms of manufactured wealth.

30. Are raw material producers, such as farmers, obtaining a just price in proportion to the price of the manufactured wealth, e.g., flour and bread; wool and suits?

No, they are not. Because the distribution costs of selling and delivering bread or suits and other manufactured items of wealth are out of proportion to what the raw material producer receives. The distribution cost is too high.

31. What is meant by distribution costs?

The costs paid for handling, merchandising and transporting wealth to the consumer.

32. Why are distribution costs extremely high in the United States?

Because of the restricted volume of raw material production, as well as manufacturing (processing) of new wealth. Transportation and overhead costs per unit also decrease as the volume increases.

33. What injury do high distribution costs work on the middle and working classes?

They raise the cost of living and reduce employment. Chiefly because they prevent 55 million citizens engaged in raw material production, who suffer from low prices, from purchasing the high cost manufactured items of wealth.

34. What are the serious effects of restricted production and high distribution costs?

Unemployment and poverty are the direct results, because producers and distributors cannot pay full staffs to turn out or distribute only one-half (or, perhaps,

less) units of wealth than factories, transportation systems and merchandising facilities are equipped to produce and distribute. This is so, be it repeated, because 55 million citizens are practically out of the market.

35. Can price levels be arbitrarily increased or decreased?

Yes, and during the last 15 years in particular—from 1920 down to date—raw material price levels have been deliberately manipulated and kept so low that the farmer has been forced to sell his newly produced wealth for less dollars than it cost him to produce. (See "Money Creators", Pages 60-63, for a Congressional account of a secret bankers' meeting held on May 18, 1920 in Washington, D. C. This meeting was held for the cruel purpose of making plans and issuing orders to ruin the farmers by collapsing the price of all agricultural products. The Government document No. 310, Sixty-Seventh Congress, Fourth Session, is in the possession of the National Union for Social Justice. No other copies are available from the Government).

36. What causes general average price levels to rise or fall?

Increases or decreases in the volume of money in existence without a similar increase or decrease in the volume of wealth in existence.

37. If prices are to remain steady at the price level desired, what is necessary?

Proportional increases in the volume of money as the rate of production of units of wealth has been increased. Increases in the quantity of money without proportional increases in the rate of wealth production do increase prices. It is necessary to restore to Congress its right to coin and regulate the value of money. To regulate money means to increase the volume of money to meet the needs of society. We must cease permitting private individuals to destroy wealth in order to preserve their own fictitious debt claims. Thus, it is a case of saving either the debt owners of the nation or the nation itself.

38. Does this issuance of money by the Government mean that credit money, so-called, will be abandoned?

It means that the banks no longer can create credit out of nothing and lend this fictitious money to a manufacturer or farmer or merchant. It means that real Government money will have actually been issued to exchange the real wealth produced. It means that, if a merchant wishes to borrow money from a bank, he will borrow actual money already in the bank which was placed there by legitimate depositors. It means that the borrower will have given ample security for the loan. It means that he can spend his loan through the medium of checks. It means that when he issues a check to John Jones the bank must make an actual transfer of real money from the check writer to John Jones. It means the end of the banks creating money and lending it at interest. The money, henceforth, which a bank will lend at interest will be genuine money.

39. Why are bankers as a rule opposed to the existence of genuine money and prefer the existence of so-called credit money?

If bankers are compelled to lend genuine money they are merely acting as agents for some real depositors and thereby are profiting only insofar as they are handling genuine money to the extent of the total amount of genuine money deposited with them. If bankers are privileged to lend credit money it means that they are not lending, as a rule, depositors' genuine money but are lending ten or fifteen or twenty times the amount of genuine deposits. They create credit money or fictitious money by a flourish of the fountain pen. Thus instead of lending only actually, for example, a million dollars of total deposits at 3% with the return of \$30,000 profit the bankers are lending under the credit money racket, for example \$20-million, \$19-million of which is fiction. In this latter case their profit would be approximately \$600,000. Therefore, bankers are opposed to honest money and



to honest lending because of the difference of profits which in the case above would amount to approximately \$570,000.

40. But why should citizens be opposed to bankers making this extra profit?

Because this extra \$570,000 must be taken out of the sweat of the laborer. It is a social injustice which permits privileged classes to reap where they did not sow.

41. What is credit money?

Credit money admits of two definitions—the bankers' definition which is a perversion and the real definition. Bankers' credit is fictitious loans which never existed in real money. It is nothing more than a bookkeeping gesture, the raw materials are a promissory note, a bottle of ink and a pen. Really bankers' credit is not money. Real credit is a genuine loan of real money whereby the borrower, through the use of a check book may withdraw the real money in parts. Real credit is a deferred payment for actual wealth received such as you obtain when you can buy from a grocery store, but defer paying the grocer until the following Saturday night. In a banker's credit there is no real wealth surrendered. He merely extends to the borrower the privilege of writing checks which are not classified as rubber because the banker creates money to honor checks up to a given sum. The banker will not give the borrower credit unless the borrower pledges real wealth as security. The credit which the banker gives the borrower is not wealth. When real credit is extended the lender surrenders actual wealth, for example, a grocer, who depends upon the honesty of the borrower to repay his debt.

42. How can we determine the amount of genuine money necessary to meet the needs of society?

By obtaining, filing and keeping up to date the accurate indices of raw materials of finished goods and of the cost of living. These indices can be kept by the Con-

gressional Board of Money whose business it will be not only to coin money but also to regulate the volume according to these indices and not according to the confiscation plans of Internationalists who can force cancellation of the money created by the private manu-facturers of money.

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### RECAPITULATION

1. Wealth is exchanged at a price.
2. Prices are expressed in dollars.
3. Dollars, despite the fact that wealth volume may not fluctuate, do fluctuate.
4. The fluctuation is caused by the manipulation of the volume of money on the part of the private creators of money.
5. The private creators of money suggest restriction of wealth.
6. The restriction of wealth is practiced to protect the debt merchants who are demanding payment for their fictitious loans.
7. The fictitious bank loans, therefore, are the prime cause of the permanency of depression.
8. The depression cannot be destroyed until money is honestly issued and regulated.
9. The regulation of money demands that sufficient interest-free money be paid into use or put into permanent circulation to establish and maintain a fair purchasing power for the raw material producers.
10. If the raw material producers have not sufficient money to purchase manufacturers' goods, depression falls upon all laborers.
11. Therefore, we are confronted with either saving the international debt merchants' racket or the nation itself.

## TAXATION

1. Under the Constitution of the United States, who has the power to tax the citizen?

The Government through its legally authorized taxing bodies.

2. What body of the National Government has the sole power to tax?

The Congress of the United States.

3. Do private individuals now exercise the taxing power?

Yes. Privately owned banks now exercise the highest taxing power of the National Government, when they originate and lend into existence our medium of ex-change.

These private corporations force the citizens to pay an invisible tax on the money in existence, because money can only come into existence as a loan made by some bank to private corporations, individuals or the govern-ment. This invisible tax of which most people are not aware, is borne by every person who uses money in daily transactions, whether or not he ever borrowed a dollar. We Americans today pay over two billion dollars annually because we meekly allow certain priv-ileged individuals the illicit power to originate money.

4. Besides the invisible taxes paid, what is the other effect of privately created bank-credit money?

Banks alter the price levels, thereby altering the pur-chasing power of all who possess money or who are paid their wages and incomes in money. Banks there-by cause a confiscation of the property of others.

When price levels are altered downward and fictitious loans cannot be repaid, banks legally, though uncon-stitutionally, confiscate real property. This is exercising taxing power to the point of confiscation. Besides collecting an illicit annual revenue and confiscating wealth in "depressions", private individuals also, in effect, tax business men, because they are able to grant or withhold loans, thereby preventing smaller business men from fairly competing with larger and especially favored corporations.

5. Why is the power to issue money the highest power of government?

Because it is the sovereign power, and, if not properly exercised, denies the citizens the right to earn a living and honestly acquire ownership of private property. "The need for exchanging goods and service has made the use of money absolutely essential for life and hap' piness. No business, in fact, no social activity on the part of anyone, is possible without the aid of money. Our government has legalized the use of money in payment of debts of every description, including government rates and taxes, and yet our government has not taken the trouble to ascertain whether the supply of money is adequate to meet the demand. All this has been left to the discretion and to the interests of the Bankers." (From "The Bankers Versus the People" by Arthur Kitson.)

6. Is this sovereign power even today recognized by the private corporations called banks?

Yes. The privately issued Federal Reserve Notes, which were not made legal tender until very recently, 1934, always had and now have engraved thereon "The United States of America will pay to the bearer on de-mand ten dollars". The private money originators permit the Government to mint the token money, (5c, 10c, 25c and 50c pieces). This money bears the inscription of the United States Government. The amount in relation to the total supply of money is very



inconsequential, and the fact that it bears the seal of the United States Government leads uninformed people to believe that all of the money is originated and issued by the United States Government.

7. When this sovereign power is surrendered to private corporations, do they become the government?

Yes, and the annual revenues derived make it possible and profitable for those private corporations to spend millions annually to control all political parties, subsidize the universities and our so-called "free" press, and all avenues of information on which the people depend for the information.

Here are the words of the founder of the International Banking House of Rothschild, who was also the father of the Gold Standard:

"Permit me to issue and control the money of a nation, and I care not who make its laws".

—Meyer Amschel Rothschild.

8. Who are the world's real rulers?

The controllers of Finance have the power to withdraw large volumes of Credit money from use and bring prices to such low levels that they can secure for themselves partially the whole wealth of the nation. No less a person than the Managing Director of the Royal Dutch Oil Company, Sir Henri Deterding, in an article in the "Daily Telegraph" (London) for May 12th, 1934, confirmed the truth of the following statement which had appeared in a newspaper:

"If we ever get out of the present crisis, then four per cent of the population will have eighty per cent of all the wealth." (From "The Bankers Versus the People" by Arthur Kitson.)

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## RECAPITULATION

1. Only the Government has the power to tax.
2. In our day, the questionable right to tax is exercised by the Federal Reserve Banks.
3. These banks tax by lending money into existence at a rate of interest and by confiscating wealth when they arbitrarily destroy money.
4. To do this is usurping the Sovereign power which should be retained by the Government.
5. The Government should pay money into existence interest free (tax free).

## PRIVATE PROPERTY

1. What is capital?

Capital is property employed in or available for use in producing wealth. It is things useful in providing man with what he needs to live. In its correct sense it is not money.

2. Do fundamental, Christian, moral, ethical and philosophical principles harmonize with private ownership of property employed in or available for use in producing wealth?

Yes. Private ownership of honestly acquired property, employed in production is in full harmony with Christian principles.

3. Does capitalism mean the right to own private property?

Not necessarily, although from common usage people believe that capitalism means only one thing, namely, the right to own private property. There have been other systems in harmony with Christian principles, all of which provided for private ownership of honestly acquired property. The right to own private property is founded upon basic human nature.

4. What is capitalism?

In its strict sense, it may be defined as a system by which one generation can borrow at interest for productive purposes, thereby contracting debts to be paid by succeeding generations. In its honest, practical application, capitalism should permit borrowing at interest only for productive purposes and borrowing only genuine savings.

5. Does capitalism, in its concept, include the right to private property?

Yes. Capitalism does include the right to private property.

6. Is capitalism, as we find it in operation today, in perfect harmony with Christian, moral, ethical and philosophical principles?

Emphatically, no. Masquerading under the title of capitalism, modern capitalism is notorious for the following errors which are contrary to human nature and to good government.

1. Modern capitalism borrows money at interest for non-productive and destructive purposes.
2. Modern capitalism, while professing in the belief in private ownership, concentrates the wealth in the hands of a few and deprives the mass of private individuals from owning the tools of production.
3. Modern capitalism professes to believe in the private coinage and regulation of money.
4. Modern capitalism operates for a profit, paying the few owners of industries their annual dividends and paying the laborer engaged in industry on the basis of "while-you-work".

7. Do communism or extreme socialism uphold the right to private property?

No. The very names imply that all the wealth within the state be owned by the state.

8. Does social justice imply that its followers adhere to the doctrine of modern capitalism?

No. In the four above mentioned errors of modern capitalism, social justice is opposed to this economic system.



9. Is the doctrine of private ownership of property and the instruments and tools of production preached by Christian authorities?

St. Thomas of Aquin is recognized as a foremost Christian authority. Here are his words:

"It is lawful for a man to hold private property;  
and it is necessary for the carrying on of human  
life."

10. What reasons are given by St. Thomas why private ownership is necessary for a happy human life?

(a) "Only if private ownership be allowed will there be sufficient incentive for man to work properly.

(b) "Under private ownership there will be better order in life. Order can exist only when there is a place for everything, and everything is in its right place. Order can exist in life only when everything has its acknowledged owner and every owner possesses what is his own. When a thing does not rightfully belong to any single owner, when things belong to all, then St. Thomas, following Aristotle, visualizes a generally disorderly scramble for things and a resultant social chaos.

(c) "Under private ownership alone will there be social peace. There can be no social peace where there is confusion and disorder. Man is content only with what he can call his own. If he can call nothing his own, he will be dissatisfied and restless.

"The whole argument for right of ownership of material goods gets its basic value from the fact that material goods are indispensable to man. The latter cannot be happy without them, conditions on this earth being as they are." St. Thomas says this very explicitly. (From "St. Thomas and Today"—Comments on the Economic Views of Aquinas, by Dom Virgil Michel, O.S.B., Ph.D. Wanderer Printing Company, St. Paul, Minn.)

All three reasons given by St. Thomas for the justification of private ownership of property and goods are rooted in an understanding of the very nature of man.

11. Do Christian morality and ethics sanction the dishonest acquisition of private property?

No, they sanction private ownership of honestly earned or inherited titles to property and goods.

12. Does private control over the creation and destruction of money enable some to acquire ownership of property and titles to consume wealth through dishonest and immoral practices?

Yes, and true Christian leaders are faced with the moral duty of attacking our present system of private money creation and cancellation as unscientific, dishonest, un-moral and unconstitutional. The principles and practices now enforced have been the direct cause of the concentration of ownership of property in the hands of a few. Since property has become concentrated, the power in the hands of a few is so great that they are able to deny to other men the very right to live.

" 'For imperfect happiness, such as can be attained in this life, external goods are necessary; not as being of the essence of happiness, but as serving as instruments toward this happiness, which consists in a virtuous life . . . For in this life man needs the things required by the body both for the pursuit of contemplative virtue, and for that of active virtue.' " (Summa Theologica, I-II, 2.4, a.7). " 'For the good life of any man two things are needed; One, primary, is that of virtuous conduct (for virtue is the means of good life); the other, secondary and as it were instrumental, is a sufficiency of corporeal goods, such as is necessary for a virtuous life.' " (De Reb. Pr. I, C.15).

He often emphasized the fact that material goods are necessary for man. In regard to this necessity he made a clear distinction.

'With regard to external goods', he says, 'we can call something necessary from two standpoints. First, that without which it is impossible for anyone to live. Secondly, something is said to be necessary for us, if we need it for an honest living, or for living decently according to our state'. (In IV. Sent. Dist. XV. 22, a.4).

"The right to existence naturally means the right to an existence that is fit and proper for human beings. In regard to the body it means, first of all, the right to adequate physical nourishment and living conditions. All men have an equal right to these, for without them it is impossible to live their lives properly on a human level." (From "St. Thomas and Today"—Comments on the Economic Views of Aquinas, by Dom Virgil Michel, O.S.B., Ph.D.)

It is evident, from a Christian viewpoint, that human rights take precedence over illicit financial rights, especially when financiers create, constrict and destroy the money required for the purchase of wealth.

13. What kind of capitalism did Karl Marx attack?

Karl Marx, whom the socialists and communists deify, attacked only the capitalism of private property owner-ship.

14. Did Karl Marx ever attack private money creation privileges and international bankers?

No, his whole system proposed not the abolition of illicit private money creation and destruction powers, but its consolidation under a system of complete economic, political and religious domination of the entire world by a few internationalists.

15. Have any American statesmen warned against the vicious schemes of internationalists and the ultimate effects of their accoridian money systems?

"There is a sinister influence at work in our country, which if it is not checked, intends to completely undermine the original purpose of the formation of our

Government—change it from the purposes of a de-mocracy, and, instead, make of it a monarchical and plutocratic system, which for purposes of deception of the plain people, they would call a 'world's de-mocracy," but which in fact it is their plan to make the rule of the wealth grabbers, maintained by simple organization of themselves and disorganization of the masses, pitting the masses against each other. It would be the privilege of a few to rule in splendor, and the fate of the many to spend their lives in unrequited toil and that hopeless condition of servitude which millions came here to escape from. The few now de-sire to cut off every possible avenue of escape from industrial slavery for the masses." (From the Con-gressional Record—A speech given by Charles A. Lindbergh, Sr., on July 5, 1916).

16. Is democracy a farce when a few privileged individuals exercise the highest power inherent in any government—the right to supply the people with an adequate medium of exchange?

"Democracy so far has but seized the shadow and has yet to grasp the substance of sovereignty. Its first step must be to end the conspiracy of silence in its organs of publicity and instruction concerning the one power of government which underlies and controls all effective political action, and to insist upon its monetary system being as public and open to critiv cism and conscious alteration as its political system." (From "Wealth, Virtual Wealth and Debt" By Fred-erick Soddy.)

17. Why is widespread ownership of property and the instruments of production necessary?

The owners of fixed capital have legal claims to a share of the new wealth produced each year. If those claims go to a very few individuals, the concentration of income prevents full employment and the proper operation of our economic system.



18. Is concentration of the ownership of property in the hands of a few inevitable?

No.

19. Why does it occur?

Because a collapsible money system makes it possible and easy for a privileged few to shake the many loose from their properties every few years.

20. Do all people have equal opportunity under our present money system?

No, they do not.

"They say to us that we all have an equal opportunity, and that it is our fault that we do not become rich. They seek, however, in every way possible, to prevent us from taking the only opportunity we have to all become successful for they know that if we did, it would end their exploits." (From "Why is Our Country at War" by Charles A. Lindbergh, Sr. in a speech urging the passage of a bill to provide an honest money system.)

21. Is modern capitalism sound, Christian and constitutional?

Modern capitalism, while pretending to rest solely upon the doctrine of honestly acquired private property and upon the theory of lending money for productive purposes, is neither sound, Christian nor constitutional.

22. Why is such a statement made?

Because it is opposed to private property as it concentrates all property in the hands of a few. Because it is opposed to lending money for productive purposes as it practices the policy of lending money for destructive purposes. Because, finally, it does not lend real money but only a fictitious money created by purple fountain pens as it exacts payment in good hard earned dollars. It reaps where it did not sow. It seeks what is not its own. It exacts profits for owners of industry and generally pays less than a living wage for the laborers of industry.

23. Is modern capitalism radical?

Whatever is unnatural and unsound is radical. Modern capitalism is unnatural because it is unjust. It is un-sound because it cannot produce and maintain prosperity. It is on a level with modern communism which, likewise, seeks what is not its own and teaches that the citizen exists for the State while modern capitalism teaches that the citizen exists for the banker plutocrats.

24. Do modern capitalists claim to be sound?

Yes, some through ignorance, some through malice rigorously oppose the rectification of a broken down money system and call all those unsound and radical, as do the communists, who oppose them.

25. Why is it that the modern newspaper (free press) upholds modern capitalists?

Because the modern newspaper, in many instances, is owned or controlled by the banker or the banker dominated advertiser who insists that the editorial matter in a modern newspaper does not militate against the interests of the modern capitalist.

26. Is the late Charles A. Lindbergh, Sr. correct in identifying modern capitalism with modern communism?

Yes, because in the dream of a world democracy the international banker, who is endeavoring to control the world through the fiction of his gold standard, is now anxious to destroy all parliaments and congresses in order to retain his ill-gotten supremacy. It is a matter of history that, while modern capitalists openly oppose communism, in private they sustain, in some instances, the worst elements of communism.

27. Are all modern capitalists and modern journalists to be indicted for supporting this unsound and radical economic system of modern capitalism?

No. The majority of them are ignorant of what they are doing. Believing in preserving the status quo and

believing that a worse condition will follow, if the coinage and regulation of money were taken away from the Federal Reserve Bankers and from their compatriots in every other nation; believing that chaos will ensue, they are like so many timid souls who refuse to go to a dentist to have a decaying tooth made whole. These are the people who prate of overproduction and are afraid of progress.

28. What is over-production in "orthodox" economics?

Producing more than people have the money to buy.

29. What is over-production in a rational economic system?

Producing more than the people can consume, assuming that lack of money caused by artificial constriction of the medium of exchange is no barrier to purchase.

30. What is one of the most fundamental fallacies in the orthodox economists' fake "scientific" theories?

They refuse to recognize that money must exist in a nation and that the power to provide the people with an adequate volume belongs to the nation and not to the bankers. They refuse to recognize that whenever the issuance of money is a means of enriching a few private individuals with unearned interest, all who use money are unjustly taxed.

Wealth can not be created out of nothing. It is with few exceptions the product of human direction expended on the natural energies of creation. No individual should be allowed to manufacture a new money claim to wealth out of nothing. A purchaser of wealth should give up something equal in value to that which he acquires. It is in this vital point that our present money system fails. Banks do not give up anything, but they originate money and lend it into use, charging interest as though they were making genuine loans.

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## RECAPITULATION

1. The right to private property is sound, Christian, constitutional and American, provided it is honestly acquired.
2. Private property is capital that may be used in producing wealth.
3. There are two kinds of capitalism, namely, honest capitalism and modern capitalism. Honest capitalism uses property to produce wealth for those who own that property, and for the welfare of society. Modern capitalism not only uses the property of others for producing wealth but concentrates wealth in the hands of a few and allows fictitious loans of money for destructive purposes.
4. This money is a fictitious money which they demand to be repaid with dollars received for wealth.
5. This modern capitalism is radical as is communism, the latter teaching that all citizens and their property belong to the State, and the former teaching that all property and the State itself belong to the international banker plutocrats.



# MODERN BANKING

### 1. What are modern banks?

We have clothes shops, candy shops, bake shops, food shops. Why not call present day banks what they really are—debt shops?

### 2. What is modern banking?

The Cashier of one of the largest mid'western banks, when asked this question, answered: "It is a series of motions which we go through without knowing what it is all about." Real banking is more evident by its absence than by its presence.

### 3. What is the nominal definition of the word "bank"?

The word is derived from the word "banca" which means bench. On the bench, the money changers were accustomed to operate. It was such benches that Christ turned over when he drove the money changers from the Temple.

### 4. What is the real and philosophic definition of the word "bank"?

Philosophically, a bank is a financial institution which accepts depositors' money for safe keeping and contracts with the depositors to lend this money at inter-est to individuals who are in need of its use and who can give ample security that the loans will be paid. From the profits made from lending money at interest the banker agrees to pay the legitimate depositors a fixed sum of interest besides safeguarding the deposits.

5. Is this philosophic definition of a bank applicable to modern banks?

No. The practice of modern banks is not in harmony with the philosophic concept of real banks.

6. What, then, is the definition and practice of modern banks?

While modern banks presumably accept depositors' money for safe keeping, it should be understood by each depositor that the contract which he is making with the bank does not guarantee that his deposit will be returned to him on demand or any other time. The depositor really becomes a creditor of the bank, and not a preferred creditor, at that. Moreover, while the bank does lend some of the depositors' real money, the said bank is gambling on human nature. First, it arranges to create ten, twenty or thirty times the amount of money really deposited with it and then proceeds to lend this to manufacturers, merchants, builders, tradesmen and citizens. The banker goes so far as to make loan deposits that are ten to thirty times, the real deposits. When one analyzes the complete operation, he finds the amount of money the real depositors placed as safe-keeping in the bank is money manufactured by some banker in some preceding transaction.

Today (February 1936), the total deposits of real money placed in the banks for safe keeping by all classes of citizens amount to approximately \$700-millions. The bankers report to the public, however, that the deposits in the Federal Reserve banks and in the member banks total many billions of dollars. Truthfully, they should report that these many billions of dollars are loan-deposits that they have created.

7. Are banks limited to the above activities only?

No. Bankers manufacture money, re-discount notes, regulate the value of foreign coins, dominate industry by placing bankers on the Boards of Directors of Cor-

porations, dictate to the press, execute foreign loans for war purposes even against the laws of neutrality, manipulate political parties, and in reality, operate the Government and the nation for their own selfish ends. More than that, they flood the nation with their created credit and then, at the opportune moment, call this credit and cause depressions and make it possible for the banks themselves to confiscate real wealth, farms, homes and industry.

8. Is there any judicial evidence to prove that when you have a deposit in the bank you do not have real money in the bank?

Yes. In 1923, the Missouri Appellate Court rendered the following decision. This decision was upheld by many State Supreme Courts.

"When a deposit is made in a bank the funds deposited become the funds of the bank, the deposit becoming an ordinary indebtedness and not a trust fund for its depositor." (From "Digest of Decisions Relating to National Banks", Vol. 11, page 69).

9. If banks, then, are debt shops where money is manufactured for the purpose of creating debts, is money issued primarily for usurious purposes?

Yes. Money comes into existence from the banks only as "interest-bearing loans" which interest must be paid by every person who uses money.

10. What is usury?

Usury is a breach against the commandment "Thou shalt not steal", and is related to three specific immoral actions listed under the following:

- (a) Charging an unreasonable and abnormal rate of interest.
- (b) Charging interest on any recognised non-productive or destructive loan.

- (c) Charging interest on a loan of fictitious money which the lender created, thereby demanding from the borrower an unjust return. In the latter case, the lender reaps where he did not sow.

11. Is usury opposed to morality?

Yes, and it is also opposed to Christian teaching.

12. Is it permissible to charge interest at any time?

When real money is loaned for productive purposes at a reasonable rate, interest is permissible because money, in modern society, is regarded as the means of transferring claims or titles to wealth. To lend a bushel of seed corn to a neighbor farmer and to expect that he return to you a bushel plus a fair portion of the new corn which he raised is legitimate. His possession of the new corn was only made possible by the lender abstaining from using the original corn himself.

13. Who are the principal opponents to necessary banking reform and to the establishment of an honest money system?

The beneficiaries of this ingeniously devised institution for securing a percentage on transactions and getting legal title to property without the victims understanding what is happening.

"The chief factors that oppose reform and progress and strive to keep things as they are, are by no means inertia and ignorance, but thoroughly well-informed individual self-interest." (From *Wealth, Virtual Wealth and Debt*, by Frederick Soddy.)

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## THE GENESIS OF AMERICAN BANKING

1. Were the Thirteen Original Colonies, which later became the United States of America, Sovereign States?

Yes. Each Colony was chartered by the British Government with full sovereign powers.

2. Then, did each Colony possess the right to originate and control its own money?

Yes. Each Colony did exercise its sovereign power to originate and control the medium of exchange used by the citizens of each Colony.

(See *Craig vs. Missouri*, 4 Pet., 435, 453; *Briscoe vs. The Bank of Kentucky*, 11 Pet., 257, 313, 334, 336; *Legal Tender Cases*, 12 Wallace, 557, 558, 622.

3. Why were the Colonies granted and allowed to exercise this sovereign power?

Because the Colonies were founded when the British Government itself exercised the sovereign power over money. When the charters were given to each of the Colonies by the British Government, this power of coining and regulating money was included in these charters.

4. But the British Government now allows private individuals to coin and regulate money. How and when did this come about?

In 1694, William of Orange, King of England, needed money to raise an army for the purpose of keeping the Stuarts from regaining the crown. He went to the rich merchants in London to acquire this money. They

agreed to lend it to him, provided he would give them the right of issuing bank notes against the indebtedness. This is the origin of the Bank of England. This privately owned bank began to manufacture money and substituted privately created money for the money formerly originated by the British Government.

5. Did the same private interests who usurped the sovereign power of the British Government attempt to encroach upon the sovereign rights of the Colonies?

Yes. And it was the refusal of the Colonists to substitute the private money of the Bank of England for the honestly issued money of their own Colonial governments that culminated in the Declaration of Independence and the War for Independence.

6. What kind of money was used during the period of the Confederacy, e.g., from the Declaration of Independence in 1776 until the adoption of the Constitution in 1789?

The Continental Congress, comprised of delegates from each of the Colonies, originated and paid into use money known as Continental Currency.

7. Does the commonly quoted "not worth a Continental" refer to this money?

Yes. This phrase is used to describe anything that is utterly worthless.

8. Why and how was the Continental money deliberately made worthless?

It was destroyed by deliberate counterfeiting both by individuals and international bankers in London. The evidence is ample:

"Counterfeiting, however, was not confined solely to individuals. The British Government also embarked in the business . . . General Howe abetted and patronized those who were engaged in making and pushing these spurious issues into circulation. ... 'A ship' load of counterfeit Continental money,' says Phillips, 'coming from Britain was captured by an American

privateer. Persons accompanying an English flag of truce are known to have largely made use of the opportunity for dissemination of fraudulent notes. Emissaries from New York endeavored to obtain from the mills, paper similar to that used by Congress of its emissions.'

"Many in Great Britain and elsewhere believed that, if Continental paper money could be destroyed, the Americans would be obliged to submit. This is why the British Government promoted so extensively the business of counterfeiting.

"Quoting General Clinton's letter to His Majesty, the King of England, (General Clinton was a British General):

'No experiment neglected, etc. . . . No assistance that could be drawn from the power of gold, or the art of counterfeiting have been left unattempted. But still the currency, like the widow's cruse of oil, has not failed the congress. I shall, nevertheless, my Lord, continue assiduous in the application of those means entrusted in my care; if they cannot work its destruction, yet they can embarrass the government and make carrying on the war more precarious, burdensome and less energetic.'" (Financial History of the United States by Bolles, Vol. I, 1774-1789, pages 151 and 152.)

9. Do those who cite the failure of the Continental currency tell why it became worthless?

No. They never refer either to the deliberate counterfeiting or to the fact that these counterfeiters increased the volume of Continental currency many, many times the amount properly paid into use by the Continental Congress. It was the malicious counterfeiters and the international bankers who, having control of the Bank of England, destroyed the value of the Continental money. The Articles of Confederation, quickly drawn, had not given the Continental Congress power to punish counterfeiters.

10. Was the Continental money full legal tender?

No. Because, under the Articles of Confederation, the Continental Congress could not levy taxes. The quality that makes money full legal tender is the fact that it is accepted by the government for all debts, public and private, including interest, taxes and import duties paid to the government.

11. Did the Constitution of the United States, adopted in 1789, grant the full sovereign power?

Yes. It gave Congress the sole power to create money, and to make it full and unrestricted legal tender for the payment of all debts, public and private.

12. At the time of the adoption of the United States Constitution, was the power to issue bills or notes of the government and impress upon those bills or notes the quality of being a legal tender for the payment of private debts a power universally understood to belong to sovereignty in Europe and America?

Yes. The governments of Europe, acting through the monarchs or legislatures, according to the distribution of powers under their respective Constitutions, had the sovereign power of issuing paper money or stamp'ing coins. This power was distinctly recognised in an important case, ably argued and fully considered, in which the Emperor of Austria, as King of Hungary, obtained from the English Court of Chancery an in-junction against the issue of England, without his license, of notes purporting to be public paper money of Hungary (*Austria vs. Day*; 2 Giff., 628: 3 D.F. & J., 217).

13. Did the Articles of Confederation specify that the Continental Congress could regulate the value of foreign coin?

No. "And this omission", says Mr. Justice Story, "in a great measure would destroy any uniformity in the value of the current coin, since the respective States might, by different regulations, create a different value



in each." (Quoting The Federalist No. 42 in "Commentaries on the Constitution of the United States," 4th edition, by Mr. justice Story.)

14. Did Benjamin Franklin, in his writings, indicate that he knew why the Continental currency failed?

Benjamin Franklin knew that all human institutions had to be managed properly. With all of his first hand knowledge of the fate of government money during the Colonial Period, he never swerved from his conviction that currency created and issued by the Government was not only of public benefit, but that it was necessary and that it could be properly managed if the people only demanded it, as they did in Franklin's own State, Pennsylvania.

"The most voluminous and systematic of Franklin's economic writings are his essays defending paper currency. Holding that the shortage of precious metals in the Colonies hindered trade, lowered land values and prices, encouraged usury, and so benefited the rich speculators at the expense of the working population. . . ." (From "The Amazing Benjamin Franklin", Page 209, Published in 1929, Edited by J. Henry Smythe, Jr.).

15. During the Confederacy period were any attempts made to establish a privately owned and controlled bank which would exercise the sovereign power of creating money?

Yes. Alexander Hamilton, with the assistance of Robert Morris, actually used public money to nurse into life the Bank of North America. This was a privately owned bank. Fortunately, the Bank of North America was never recognized by most of the States.

16. When was the Constitution of the United States ratified, and how did it remedy the defects in the Articles of Confederation?

The Constitution of the United States was adopted in 1789. It expressly mandates Congress "to coin money,

regulate the value thereof and of foreign coin". It gives Congress the power to levy and collect taxes, which combined powers give full authority to create money and to make that money legal tender for the payment of all debts, public and private, including tax payments made to the government. It was justly re-marked by James Madison, in a letter to Mr. Cabell, dated September 18, 1828, "that the power to coin money would doubtless include that of regulating its value, had the latter power not been expressly in-serted." It was, however, expressly asserted. That fact should have settled forever any argument relative to the Congress only having the power to determine the volume of money in existence.

17. When and through what act was the sovereign power of the United States first encroached upon?

In 1791, through the efforts of Alexander Hamilton, a privately owned, central bank, misnamed "The Bank of the United States", was chartered. This was a direct violation of the new Constitution, which violation was accomplished only after the death of Benjamin Franklin, who had fought Hamilton's previous proposals and had always successfully prevented their fulfilment.

18. Who was Alexander Hamilton?

He was the first Secretary of the Treasury in the United States of America.

19. Did the first privately owned bank usurp the power to create and regulate the value of money?

Yes. Through its several branches, it coined and regulated the value of money in the United States. More-over, it enjoyed the power to lend this created money and to tax the citizens for using it.

20. Was this power given to the First Bank of the United States approved by George Washington?

No. And Washington was not alone in fighting this power. Jefferson, Madison, Adams, Randolph, together with a galaxy of men whose intelligence framed the Constitution of the United States, were also op-posed to Alexander Hamilton.

21. Were the followers of these patriots successful in annulling the charter of Alexander Hamilton's "Bank of the United States"?

Yes. In 1811, when the twenty year charter for this bank expired, Congress refused to renew it

22. Did a second privately owned bank regain the right to coin and regulate the value of money?

Yes. After the War of 1812, a charter was given to "The Second Bank of the United States" in the year 1816, to carry on as did "The First Bank of the United States." Through connivance against the Government, the Treasury Notes, then circulating as money, were funded into bonds owned by the bank. Against these bonds, this private bank issued private bank notes, thus enabling the owners of "The Second Bank of the United States" to draw interest on its money in cir-culation.

23. Were the owners of "The Second Bank of the United States" successful in collecting all the Treasury Notes outstanding?

No. With some outstanding Treasury Notes, a citizen attempted to pay legitimate bills. The Notes were refused by the creditors. Thus, in the famous case of *Veazie vs. Fenno* (8 Wallace, 549, U. S. Supreme Court, 1824) the United States Supreme Court pro-nounced it within the undisputed power of Congress to provide a currency of the country consisting largely of Treasury Notes.

Chief Justice Marshall's definition of bills of credit said:

"ft cannot be doubted that under the Constitution the power to provide a circulation of coin is given to

Congress. And it is settled by the uniform practice of the Government, and by repeated decisions, that Congress may constitutionally authorize the emission of bills of credit."

24. What are bills of credit?

Chief Justice Marshall's definition of bills of credit was "paper issued by the sovereign authority and intended to circulate as money." This definition was given in the Supreme Court of the United States in *Briscoe vs. The Bank of Kentucky* (11 Pet., 257) : "A note of circulation issued by the State involving the faith of the State and designed to circulate as money on the credit of the State in the ordinary course of business, is a bill of credit."

25. Did any American statesmen oppose the activities of "The Second Bank of the United States"?

Yes. Andrew Jackson was elected to the presidency on the issue that he would not renew the charter. Thus, the charter of "The Second Bank of the United States" expired on March 4, 1836. Andrew Jackson said: "If Congress has the right under the Constitution to issue paper money, it was given them to be used by themselves, not to be delegated to individuals or to corporations."

26. Following Andrew Jackson, did Congress and Congress alone coin and regulate the value of money in the United States?

Unfortunately, no. Although the several States at the time of the ratification of the Constitution, surrendered their rights to coin and regulate the value of money to Congress, we find individual States now beginning to circumvent the law by establishing State Banks, owned by private individuals who created bank credit money. Nevertheless, while these various State chartered and privately owned banks were violating the Constitution of the United States, they refrained from centralizing the power of coining and regulating money in the private hands of a central group.



27. Was there a third attempt to scuttle the Constitution of the United States and to create privately owned, nationally chartered banks with the right to coin and regulate the nation's money?

Yes. In the heat of the Civil War, when Lincoln required funds to carry on his campaign, private bankers agreed to lend him money, if he would grant them a national charter to issue and lend money. Thus, in 1863, there was witnessed the passage of "The National Bank Act", providing for the chartering of private corporations with the right to coin and regulate the value of money.

See Appendix V for documents relative to international bankers part in the passage of the National Bank Act.

28. Why did not Lincoln recommend that Congress issue its own money to carry on the Civil War?

He did. Congress issued \$150-million in 1862 in bills that were full legal tender for payment of all debts, public and private. On two other occasions Congress issued a total of \$300-million of United States Notes which carried the restriction clause: "Not legal tender for the payment of taxes or import duties."

29. Was this inscription just quoted destructive of the money quality?

Yes. The money which Congress issues and can issue must be full legal tender for the payment of all debts, including taxes and import duties.

30. What attempts were made to take the United States Notes issued by Congress upon the recommendation of Abraham Lincoln out of circulation?

After these non-interest bearing United States Notes had been paid into existence, an effort was made to declare them unconstitutional. In the *Hepburn vs. Griswold* decision (8 Wallace, 626), rendered during the September Term 1869, the United States Supreme

Court decided that "paper currency was not and could not be legal tender. The only legal tender must be bullion or specie; gold or silver."

The decision was approved by 5 Justices on November 27, 1869. Three Justices dissented. On that same date, November 27, 1869, the 5 in the majority directed the opinion in the case to be prepared and read on January 29, 1870. On April 10, 1869 (i.e., the April before November 27, 1869) Congress had passed a law to take effect December 1, 1869 (4 days after the Judges had decided against the currency being legal tender) increasing the membership of the Supreme Court to 9.

After the opinion was read on January 29, 1870, Justice Grier, who had sided with the majority, resigned (February 1, 1870), leaving two vacancies. Two new Judges were appointed, Justice Strong on February 18, 1870, and Justice Bradley on March 21, 1870. In the next term of the Supreme Court in 1870, the Legal Tender Cases came up for decision. These are reported in 79 U. S., 457. In this decision the holding in *Hepburn vs. Griswold* was reversed, the Court in the Legal Tender Cases ruling that:

"Paper currency made legal tender by Congress was constitutional and good payment for debts existing and due before its passage, as well as after its passage."

31. Did that Supreme Court decision stop the efforts of private bankers to take out of use these honest United States Notes?

No. Those to whose interest it was to attempt to interpret the Constitution to mean that Congress had only the right to imprint the seal of the Government on metal alone, succeeded in having Congress pass an act on January 14, 1875 entitled: "To provide for the resumption of specie payments". This act provided that on and after January 1, 1879, "the Secretary of the Treasury shall redeem in coin United States Legal Tender Notes then outstanding, on their presentation for redemption at the office of the

Assistant Treasurer of the United States in the City of New York, in sums of not less than \$50." (18 Stat., 296).

32. Did Congress repeal this act providing for the resumption of specie payments?

Yes. On May 31, 1878, Congress passed an act which provided that the United States Notes already withdrawn from circulation be reissued. This act was en-titled: "An Act to Forbid the Further Retirement of United States Legal Tender Notes." Its provisions were as follows:

"From and after the passage of this act it shall not be lawful for the Secretary of the Treasury or other officers under him to cancel or retire any more of the United States legal notes. And when any of said notes may be redeemed or be received into the treasury under the law, from any source whatever, and shall belong to the United States, they shall not be retired, cancelled, or destroyed, but they shall be re-issued and paid out again and kept in circulation: provided, that nothing herein shall prohibit the cancellation and destruction of mutilated notes, and the issue of other notes of like denomination in their stead, as now provided by law. All acts and parts of acts in conflict herewith are hereby repealed." (20 Stat., 87).

33. Did this Supreme Court decision satisfy the private bankers and end their efforts to destroy United States Notes?

No. A case wherein a private individual refused to accept these notes in payment of a private debt was brought to the Supreme Court in the October 1883 term. (Reported Legal Tender Cases, 110, U. S., 421). The Court decided (8 to 1):

"Congress has the constitutional power to make the Treasury Notes of the United States a legal tender in payment of private debts in time of peace as well as in time of war."

Herein the Court decided that the act of May 31, 1878, Chapter 146, was constitutional and valid, and that the tender in Treasury Notes reissued and kept in circula-

tion under that act was a tender in lawful money in payment of debts. The Court in this case further stated:

"Congress has the undoubted right to make currency lawful money for all purposes. Congress may make paper currency legal tender for all debts, present and future."

This is the law today. This Supreme Court decision has never been challenged in any manner whatsoever. In March 1884, Mr. Justice Gray delivered the opinion of the United States Supreme Court. "Congress has the constitutional power to make the Treasury Notes of the United States a legal tender in payment of private debts in time of peace as well as in time of war". This refers not only to the coins of gold or silver or any metal, it also refers to paper currency.

34. Are the U. S. Notes issued by Lincoln still in existence and use?

Yes. Approximately \$346-millions are still in use. They bear no interest at the point of origin. Figure out for yourself how much interest, computed annual-ly, would have been paid to the bankers on this \$346-millions at 3% since 1862.

35. To gain more control over the money of this nation, what was the next attempt made by the international bankers?

In 1873, President Ulysses Grant's Congress demonetized silver, thus making more secure the power over money enjoyed by those who had cornered the gold. Bear in mind that many members of this Congress, as well as President Grant, are on record stating that they did not know for what they were voting, in the case of Congressmen, and what Bill was signed, in the case of the President. This statement is substantiated by a fund of documentary, first hand evidence.



36. Did the battle between the American people and the international bankers over silver end in 1873?

No. There has been constant conflict over the use of silver down to date.

37. What relation has the Federal Reserve Bank Act to the private coinage and regulation of money?

From the time of Lincoln in 1863 until 1913, there were many more or less independent National Banks. The international bankers were determined to centralize and control these many thousands of National Banks, each of which enjoyed its own right to coin and issue money.

Thus, in 1907, Senator Aldrich attempted to pass the Aldrich-Vreeland Bill which aimed at unifying and centralizing all National Banks. The attempt failed, thanks mostly to Charles Lindbergh, Sr., the father of "The Lone Eagle".

In 1913, when the World War was a moral certainty, a gigantic effort was put forth to pass the "Federal Reserve Banking Act". This Act was passed chiefly through the efforts of Senator Carter Glass and Paul M. Warburg, an international banker who takes credit to himself for its passage and who later on became identified with "The World Central Bank", known as "The Bank of International Settlements", located at Bern, Switzerland.

Paul M. Warburg, more European than American in his philosophy, said:

"I do not claim to have originated any new banking principle; but from my arrival in America I have been impelled to urge the adoption of the fundamental principles upon which, under varying forms, were based the practices of every industrially advanced country except the United States. It was owing to the interest I had shown in banking reform that, when the Aldrich Banking and Currency Committee was appointed, I was invited to assist it in formula-

ting a plan providing for the creation of a Central Reserve Association with regional branches." (The Federal Reserve System, Its Origin and Growth— Page 8). Mr. Edwin R. A. Seligman, in his introductory re-marks of August 1914 to "Essays on Banking Reform in the United States", by Paul M. Warburg, says: "For it may be stated without fear of contradiction that in its fundamental features the Federal Reserve Act is the work of Mr. Warburg more than of any man in the country."

38. After the passage of the Federal Reserve Banking Act, did the thousands of National Banks throughout the nation still enjoy the right to issue their own private notes called National Bank Notes?

Yes. It was not until Mr. Roosevelt's New Deal came upon the scene that this right was practically taken away from National Banks. Today, no banks except the Federal Reserve Banks are able to issue currency. Thus, we have practically complete centralization of the private coinage and regulation of money controlled by a handful of individuals, who, like Paul M. Warburg, prefer the European system of plutocracy to the American system of democracy. Since 1913 until 1936, every amendment to the Federal Reserve Banking Act of 1913 has been a successful effort to further centralize the control of money, its creation and manipulation in the hands of a few.

39. What effect has this centralization of banking had on American prosperity?

It has given full domination to the Federal Reserve bankers, (who practically are under the control of the Federal Reserve Bank of New York) to dictate all loans to industry, commerce and individuals and thereby control, as it were, the life blood of the nation, so that no one dares breathe against their will. See Appendix I and VII. Open Market Operations under 1935 Banking Act.

40. Is this centralization of banking power in the hands of a few private individuals radical?

Yes. It is exactly as Lenin advocated. The father and exponent of communism said:

"One state bank as huge as possible, with branches in every factory—this is already nine-tenths of the Socialist apparatus."

41. Is the decentralization of banking in harmony with democracy and liberty?

Yes, provided the decentralized banks do not coin and regulate any money whatsoever, but merely be satisfied with performing their true functions of safeguarding and lending the depositors' money for the benefit of industry and commerce and other social activities. Each bank should be an independent institution able to make loans to its customers who are known to the bankers, not being compelled to refuse these customers of good standing because a group of New York dictators do not know them or will not lend to them at honest rates.

42. Are many domestic banks now the victims of existing banking laws?

Yes, most domestic bankers and their clients are victims. Under the guise of protecting depositors, a private corporation known as the Federal Deposit Insurance Corporation, is pretending to guarantee bank deposits. This corporation's assets amount to less than four hundred million dollars. It advertises to protect deposits up to \$5,000 per individual owner. Today the accounts under \$5,000 amount to over twelve billion dollars. How can a corporation with total assets of less than four hundred million guarantee bank accounts aggregating some twelve billions?

The thing is more ridiculous when one remembers that present deposits are the result of loans, and that Central Bankers can arbitrarily force calling of loans. The real purpose of the Federal Deposit Insurance Corpo-

ration is to permit a band of bank examiners, acting under authority of the Central Banks, to dictate what business men's notes can be held by small banks. There is no rhyme or reason in their decisions. The notes of certain favored business men may be retained, while farmers and other business men are not permitted to have or renew loans.

Banks are forced to advertise so-called membership in the Federal Deposit Insurance Corporation. The mis-informed are led to believe that the Federal Deposit Insurance Corporation feature will protect their deposits. Therefore, in order to stay in business, individual banks are forced to become members of the Federal Reserve System. In reality, our banks are today totally centralized. This is a very dangerous condition. Honest bankers readily admit that they are not permitted to make loans to business men who, by all rules of sound banking and honest dealings, are entitled to borrow money. The Governor of the Federal Reserve Board, in his testimony on the Banking Act of 1935 said:

"During the past two years there has been no increase in the supply of money as the result of banks lending to individuals or to corporations. As a matter of fact, the money supply would have been actually diminished since 1933 had it not been for the Government . . . borrowing and spending . . . The credits which the banks have extended to others than the Government are less now by several hundred millions than they were right after the bank holiday." (Hearings on Banking Act of 1935, page 399.)

43. Is it in harmony with social justice to nationalize all banks?

No. Social justice desires the liberation of all local banks from the radical Federal Reserve Banking System. It is in harmony with social justice, however, to nationalize the creation, the issuance and the regulation of all money used within the nation. "Con-



gress has the right to coin money and regulate the value thereof; and of foreign coin", is the doctrine of democracy, the doctrine of sound Americanism. It stands opposed to the doctrine of Lenin adopted by the Federal Reserve Banking System.

44. Did the so-called New Deal, through its Gold Bill of 1934 and the Banking Act of 1935, lean towards social justice or to Leninism?

It leaned towards Leninism, by accomplishing the complete centralization of the private coinage and regulation of money in the hands of international bankers and by creating needless debts for the sustenance of these bankers. Approximately \$35-billions will have been borrowed by this Government from these bankers whom the Government permitted to manufacture money with which to obtain bonds. Within a few years the American taxpayers will be compelled to pay back \$50-billions in hard earned money, representing real wealth and services, to these men whose only contribution to our national security was that of a bookkeeping expert.

45. Should banks be privately owned?

Yes. It is sound that banks be State chartered private corporations, whose function is restricted solely to re-ceiving United States legal tender on either time or demand accounts and lending the money in the time deposits.

46. May the United States Government, under given circumstances, operate lending agencies?

Theoretically, no. But circumstances enabled the Government to organize the HOLC and certain similar corporations. These Government lending corporations are in business and will be in business for some time to come. They were necessary because the local private bank corporations had failed the people, because of international bankers' manipulations.

47. Did the Banking Act of 1935 correct any of the fundamental fallacies and dishonest practices of our money system?

No. While there was testimony introduced during the Congressional Hearings which clearly indicated the gross fallacies and injustices of our present banking laws, the Banking Act of 1935 changed the laws, not for the better but for the worse. In reality, the Banking Act of 1935 provides all the machinery necessary for a complete destruction of our money system via the vicious inflation route, as manipulated by private international bankers in France at the time of the French Revolution, in Russia in 1917, and in Germany in the 1920's.

Therefore, then, all the financial acts perpetrated by the New Deal have further entrenched the Federal Reserve international bankers in their position and this to such a degree, that if the Federal Reserve Banking Act is not repealed, together with all New Deal financial acts, chaos will be inevitable and democracy in this nation will be destroyed.

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### RECAPITULATION

1. The Constitution gives to Congress the right to coin and regulate the value of money.
2. This right was delegated to private individuals for their own profit and without specifications.
3. From the beginning to the present day, Americans have been forced to struggle to retain their democratic sovereignty, but generally, democracy has been on the wane and plutocracy, which is identified with radicalism, has been waxing stronger even under the hypocrisy of beneficent legislation.
4. Is it necessary to encourage all solid Americans to prepare for the final struggle to strike fearlessly not only for the restoration of democracy, but for economic liberty?

## BOOK II

# THE OPERATION OF AN HONEST MONEY SYSTEM

# CHAPTER I

## RESTORATION

### 1. What should the Citizens demand?

- (a) That Congress resume the exercise of its Sovereign Power—"to Coin Money and regulate the Value there-of; and of Foreign Coin".
- (b) That the exercise of the Sovereign Power be completely divorced from proper banking functions.
- (c) That banks be privately owned and restricted to their legitimate functions; i.e., Custodians and lenders of United States Legal Tender.

### 2. Why do we demand that Congress resume the exercise of its sovereign power?

To restore the highest function of our Government to those elected by the people. The social nature of man demands that the common denominator of all economic' social functions be exercised by society as a whole or by those delegated and mandated by organized society.

### 3. What does sovereign power mean?

By sovereign power we mean a power belonging to all the people as a whole, without which the exercise of their National activities is impossible and without which the supreme jurisdiction, under God, over the citizens of a nation is likewise impossible.

### 4. Why do you say man is a social being?

Because he was created by Almighty God to live with his fellowmen. One man is a tailor, another a carpenter, another a fisherman and so forth. One man cannot live without his fellowmen and each citizen contributes some economic good not only for himself [113]



but for all citizens. The common denominator, or medium of trade, for all economic goods or services, is that one thing called money which belongs to no one individually but to all the citizens socially or collectively, insofar as it is coined and the volume regulated and put to use originally by the Government.

5. Why will Congress then be what was intended, the actual government of the United States?

Because Congress, the legislative body created by the people, falls short of its ability to govern unless it possesses in itself this right to create and supply directly through its own proper appointees with specified duties the necessary medium of exchange to which no other function of the government is superior.

6. Why do you say that no other function of government is superior?

Meyer Amschel Rothschild said: "Permit me to issue and control the money of a nation, and I care not who makes it laws." Precisely, if an individual or group of individuals control the issuance and regulation of money, the distribution system through which wealth is exchanged, it is possible for that individual or group of individuals to hamper trade, to constrict economic activity and to control the wealth of the nation itself.

7. Are self-chosen, non-elected, private individuals, corporations and groups now the de-facto government of the United States?

Yes. The Federal Reserve Banks, private corporations whose entire stock is owned by private individuals, coin and regulate at least 95 per cent of the money used in the United States for the personal gain of stockholders. All the profits made by the activities of the Federal Reserve Banks accrue to the owners of these banks. Besides, inside advance knowledge of policies and their ultimate results, enable international bankers and international speculators to make enormous

illicit profits, part of which they spend to protect their unmoral practices.

8. Are the Federal Reserve Banks identified with international bankers?

Yes. The international bankers, or banks, are listed chiefly under the heads of the Federal Reserve Banks of the United States, the Bank of England, the Bank of France, the Reichsbank, the Bank of Italy, and central banks in practically every nation of the world. All these banks are owned by private individuals although they masquerade under titles which make them appear as if they were owned by the governments and peoples of these nations.

9. How do international bankers operate for their own gain?

These private bankers owning, controlling and exercising for their own profits the money of all nations referred to, shuttle the gold and silver together with international loans, international acceptances and bank notes from country to country for the purpose of altering price levels to create gains for themselves and losses for the people. In this sense their patriotism is translated by the word "greed". Their country knows no boundaries and their flag is colorless.

10. Are the international bankers themselves unpatriotic and greedy men?

While some individual men may be honorable, their policies are unsound and unmoral and were conceived by persons by whom patriotism, democracy, justice and charity are not understood.

11. Has the local banker, with whom possibly you are acquainted, been responsible for these policies?

In most cases, no. Unfortunately, he has often been denied knowledge of the workings and the ultimate results of many policies dictated by a handful of international bankers. Consequently, he oftentimes has been their victim.

12. How can the Government of the United States be restored to honestly elected representatives of the people?

By completely divorcing the power to create money from proper banking functions and restricting to Congress alone the exercise of the sovereign power to issue (originate) and control the volume of money.

13. How can Congress resume the exercise of its constitutional mandate of the people to issue our money and control the volume thereof?

- (a) By nullifying the National Bank Act of 1863.
- (b) By nullifying the Federal Reserve Bank Act of 1913 and all intermediary and subsequent acts down to date.
- (c) By enacting legislation in harmony with the Constitution of the United States which mandates Congress "to coin money and regulate the value thereof; and of foreign coins".

This legislation must provide:

- (1) That a Congressional Board of Money, appointed by Congress, originate and pay into use interest-free money, bearing the seal of the United States Government and in sufficient volume to establish and maintain equitable price levels.
- (2) That a Congressional Board of Money handle exclusively all transactions in foreign exchange. Any exchange of dollars for the currencies of any other countries must be negotiated only through the Congressional Board of Money. All gold or silver (excepting token money) must be in the possession of the Congressional Board of Money and be used only for the settlement of international trade balances. The transfer of metals for the settlement of trade balances must not be at any fixed price per ounce. The price of foreign currencies must rise or fall with changes in price levels in other countries and the actual demand and supply of the various currencies in the foreign exchange market of the United States.

The present 2 billion, 800 million dollar secret stabilization fund should be removed from the jurisdiction of the Treasury Department and made the direct executive responsibility of the Congressional Board of Money.

The Secretary of the Treasury and his Department should be completely divorced from the Congressional Board of Money. The function of the Secretary of the Treasury is to collect and disburse tax payments. The Treasury Department should have nothing to do with recommendations or executions of orders relative to increasing or decreasing the supply of United States money in existence.

- (3) Banks should be privately owned, State-chartered corporations whose functions must be confined to acting as custodians and lenders of United States money which belongs to private citizens. The several government-owned lending agencies should be continued in existence until such time as the outstanding loans will have been liquidated or until such time as these loans are officially regarded as non-collectible.

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## HOW CONGRESS CAN EFFICIENTLY EXECUTE THE MONEY MANDATES OF THE CONSTITUTION

1. Can Congress appoint a group of persons absolutely functioning for Congress to execute its mandates relative to coining and regulating the money of this nation and of foreign coins?

Yes, this is in harmony with the Constitution. Congress now confirms the appointment of a Secretary of the Treasury. That Secretary is mandated, specifically, to collect taxes and disburse the money received and to see that authorized government bond issues are allocated to the banks. At the present time the Secretary of the Treasury is executing a mandate of Congress relative to the 2 billion, 800 million dollar misnamed stabilization fund.

We have numerous examples of Congress confirming the appointments of persons to carry out the mandates of Congress. e.g. Congress confirms the appointment of individuals to operate the navy, the army and the post office department. These appointments carry with them specific duties, which the officers, whom Congress appoints to carry out these duties, must fulfill, according to the law, for the welfare of all citizens.

2. Should an appointment by Congress be interpreted to mean an appointment by only a part of Congress?

No. Since the people have delegated and mandated Congress "to coin money and regulate the value thereof and of foreign coins", the appointees, who execute

the specific mandates of Congress, should be appointed by the entire Congress.

3. Who appoints and confirms the present Board of Governors of the privately owned Federal Reserve Banks?

Under the Banking Act of 1935 the President appoints and the Senate confirms the Governors of the Federal Reserve Board.

4. Some contend that since the President appoints and the Senate confirms the Governors of the Federal Reserve Board that Congress is now exercising its right to coin and regulate the value of money. Is this a correct statement?

No, because:

- (a) While the President does appoint the Board of Governors, Congress does not confirm the appointments. Only 96 Senators by a majority vote confirm the President's appointments. The House of Representatives (which numbers 435 members) has no voice whatever. The Senate of the United States is not the United States Congress. It is only one part. The constitutional grant to Congress of the power over money is to both houses, not one.
- (b) Neither house gives a clear mandate to the Board of Governors and no specific duties are imposed. Not even the Senate now mandates the Federal Reserve Board to establish and maintain honest price levels.
- (c) The present Federal Reserve Banks carry on all of their functions exclusively for private profits for those who own and operate the Federal Reserve Banks.
- (d) The Federal Government does not pay salaries of the present Governors of the Federal Reserve Board but the Governors of the Federal Reserve Board are directing corporations (The Federal Reserve Banks) the profits of which accrue to the private owners of these banks.

5. Since Congress can, under the Constitution, appoint a board to execute its mandates relative to the money provisions of the Constitution of the United States, what kind of a board would be desirable and logical?

A board of about nine persons who might be designated the "Congressional Board of Money."

6. What should be the qualifications of these persons?
- (a) An unquestioned record of honesty and integrity.
  - (b) No past or present connections with partnerships or firms engaged in the business of underwriting international loans or dealing in international speculative accounts.
  - (c) Sufficient education and practical business experience to qualify them to supervise, observe and understand the findings of scientific economic re-search.

Congress does not approve a painter or a blacksmith for a rear admiral's position. Therefore it should not entrust the work of the Congressional Board of Money to men who are not qualified either by education, experience or character. If it is not possible to appoint such persons, then democracy must fail. If they do not appoint such persons, democracy cannot exist.

7. Is it true that such a Congressional Board appointed to enforce the money provisions of the Constitution would be influenced by politicians to the end that the issuance of money and the control of the volume in existence would become a political racket operated for the benefit of politicians and to the destruction of the citizens?

No. But that is exactly what we suffer from today, except in a little different form. Those who control the operations of the Federal Reserve Banks are the de facto government of the United States. They operate it for their own profits, to exploit the people, and manipulate the politicians to the end that the people are victimized by both the operations of the money system and the puppet acts of the politicians.

8. Would the Congressional Board members be beneficiaries of the money originated and paid into use?

No. They would receive their salaries and would benefit in no manner whatsoever, except as citizens of the country, in the amounts of money they pay into use.

9. Would the Congressional Money Board have anything to do with the handling of this money or the uses to which it is put once it has been paid into use?

No. It would be paid into use directly to the citizens and would thenceforth be their money and, in no manner, be owned or controlled by the Congressional Board of Money.

10. If too much money were paid into use to whom could the people look immediately?

They could immediately place the responsibility where it belonged. Any changes in the total volume of money, either the existence of too much money in the nation or too little money, would be the immediate and direct responsibility of the Congressional Board of Money. The Board being a creature of Congress, the citizen could look to Congress for redress of wrongs.

11. Should the amount of money in existence and any changes in the volume be widely publicized?

Yes, simple, accurate and complete figures should be published on the front pages of all the metropolitan newspapers at least once each week. Honest statements would be intelligible to anyone who can read simple figures. Pitiless publicity is all that is necessary to protect the citizens against either too much money or too little money.

12. Today do most people have any way of knowing who is responsible for either too much money or too little money being loaned into existence?

Only the well-informed who are able to interpret tricky and mystifying statements and who know the person-



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alities who constitute the back stage government know who is responsible for misuse of the sovereign power of this nation.

13. Should the Congressional Board of Money be prohibited from political activities?

Yes, the members of this Board should be deprived of active and passive vote; they should be independent of any political party in every sense of the word; they should be divorced, personally, from any business activ-ities.

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## CHAPTER III

# TRANSITION FROM OUR PRESENT TO AN HONEST MONEY SYSTEM

1. Could the change to an honest money system be accomplished without disturbing legitimate business or causing losses to innocent persons?

Yes. Those who use money in their daily transactions would not necessarily notice that the change was in progress, excepting that they would note that business recovery was making the desired progress.

2. What specific steps would be necessary to pay off the Federal Reserve Banks?

The Federal Reserve Banks (Central) would be paid off as follows:

- (a) The capital and surplus of the Federal Reserve Banks would be bought with United States legal tender. This United States money received by the Federal Reserve Banks which are owned by the member banks should then be paid directly to the member banks and the capital stock cancelled.
- (b) The total amount of reserves belonging to each member bank (the 13% reserves against demand deposits and the 3% reserves against the time de-posits) should then be likewise paid off dollar for dollar with United States legal tender.
- (c) The total number of Federal Reserve Notes actually outstanding by each of the twelve Federal Reserve Banks should be exchanged for United States legal tender just as quickly as it is mechanically possible.

The Federal Reserve Notes actually in use (e.g., in the tills of the member banks or in the pockets of the people) are listed as Circulation in the combined statements of the Federal Reserve Banks. The amounts shown in this circulation account should be exchanged.

All United States Bonds in the possession of the United States Treasury, used as collateral for the Federal Reserve Notes in circulation, would then be the property of the United States Government and should be immediately cancelled.

- (d) All assets in the possession of the Federal Reserve Banks would then belong to the United States Government.
- (e) All buildings and physical equipment would belong to the United States Government. If the Congressional Money Board needs facilities to carry on economic and scientific investigations in various parts of the country, these buildings might be used. The Congressional Money Board would take no part in the mechanics of clearances as between the banks in the different parts of the country as the Federal Reserve Banks do today.

### 3. Is this repudiation?

No. The Federal Reserve Banks obtained assets in exchange for money created out of nothing and they should be paid with nothing. All notes and commercial paper in the Federal Reserve Banks would then be the property of the United States Government. As the notes made by individuals or corporations mature they would then be paid off by the makers with United States legal tender. As they are paid off, the notes should be surrendered to the makers, together with any collateral or supporting documents.

4. What would happen to the Government bonds in the possession of the Federal Reserve Banks that are not pledged as collateral against Federal Reserve Notes?

They would be the property of the United States Government and should be cancelled.

5. Are these steps for the pay-off of the Federal Reserve Banks (Central) in harmony with Christian philosophy?

Yes. It is following the example of Christ, Who up-set the "money changers' " tables and drove them from the Temple. Christian social justice demands that these money changers have restored to them only what they contributed. It demands that no citizen of this nation be forced to pay for goods or services not delivered. The only service rendered by the Federal Reserve Banks was that of bookkeeping. These bookkeepers should be allowed to earn a living, annual wage but they should not be paid United States dollars to the amount of billions upon billions simply because they entered billions of purple fountain pen figures upon their books in exchange for Government bonds, which are first mortgages on everyone's home, property and income.

6. Would this honest pay-off cause distress?

It would cause no distress, excepting to those who had gotten something for nothing. Those who got something for nothing should rightfully be paid with nothing. If those who got something for nothing complain, we will quote the words of Andrew Jackson when approached by the private money coiners of his day who sought a continuance of their racket:

"That is your sin—(if you suffer from what I am doing). It would be my sin if I allow you to con-tinue."

7. What specific steps would be necessary in paying off the member banks and all other local banks throughout the United States?



- (a) The Congressional Board of Money of the United States would arrange to pay to the local banks, as of some specified date, 100% of the number of dollars called for in their total demand deposits. The notes, bonds and collateral in the banks' possession offsetting demand deposits would be turned over in toto to an agent of the Congress-ional Board of Money. As the notes mature and are paid by their makers, the banks which originated them would remit United States money to the Congressional Board of Money and obtain said notes and collateral and return them to their cus-tomers.
- (b) When such money is received, it would again be paid out for services rendered to the government or to redeem government bonds, so long as the total money quantity in existence is inadequate to establish and maintain the price levels desired.
- (c) As government bonds in the possession of citizens mature, if a larger volume of money is necessary, government bonds would be exchanged for new United States money. New United States money could be issued to pay off government bonds only when more money is necessary to establish or maintain honest price levels.
- (d) As the Federal Reserve Notes or other currency in possession of the people are brought to the banks, the banks would exchange them for United States legal tender, dollar for dollar. Some time limit would have to be placed on the exchange, which should be accomplished without unnecessary de-lays.

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## SCIENTIFIC PRINCIPLES TO BE OBSERVED

1. What is the purpose of a money system?

To make easy the exchanges of goods and services.

2. What, then, is the first requisite of an honest money system?

That general average price levels, as among the various classes of producers and distributors, be in proper proportion to each other, e. g. that farm commodities and other basic raw material prices be in proper proportion to finished manufactured goods prices.

3. Therefore, what would be the first duty of the Congressional Money Board?

They would acquire through scientific and accurate research the economic facts and statistics necessary to observe the movements of indices of price levels for the various classes of producers. These records and the manner of computation should be public.

4. What types of scientific economic data should be prepared and made public under the supervision and observation of the Congressional Board of Money?

- (a) Accurate indices of the prices at which basic raw commodities are exchanging for money.
- (b) Accurate indices of the cost of living (cost of the goods consumed in maintaining a reasonable standard) by a middle class family. e. g. A family of six living in a metropolitan area.

(c) Complete and accurate figures on unemployment. These figures should be compiled from the various industries, by States and by ages. There are no accurate and complete figures on unemployment in this country today.

5. What is an index number?

An index number is a method adopted by statisticians and economic writers to exhibit the course of prices of a group of raw commodities or of commodities generally. The index number reduces initial prices to common terms. It establishes the variation of each price from its own starting point and then determines the average variation.

6. What are index numbers of raw material prices?

They are generally simple arithmetic computations representing the average prices at wholesale of a large number of raw commodities.

7. What do index numbers of the cost of living indicate?

They measure the relative cost of living (all of the items commonly used in living) as of different dates. They are generally expressed in terms of monetary units (dollars).

8. Why should an index number include a large number of commodities?

A sufficient number of commodities should be included to allow for particular demand and supply factors influencing individual commodities within the index. Price fixing of any single commodity is unsound.

9. What are average prices?

The mean prices of definite amounts, at specified times, of a large number of commodities.

10. Are changes in the supply and need of a large number of commodities the fundamental cause of changes in the price index of those commodities?

No. Average prices of a large number of commodities are influenced by arbitrary changes in the total number of dollars in existence.

11. What is the only test of the honesty of the money in use in a nation?

It is the amount of wealth (necessities of life) for which a given quantity of money may be exchanged. It is the constancy of its average exchangeability for goods and services that constitutes the acid test of the honest use of money.

12. Are there a number of index numbers in use in the United States today?

Yes, various Government agencies, at taxpayers' expense, and various private individuals and corporations have, for many years, prepared and kept up to date various index numbers. e. g. The index numbers compiled by the Bureau of Labor Statistics, the Federal Reserve Bank of New York, the Department of Commerce, various State and private universities, etc.

13. Have qualified persons accepted and used the various indices?

Yes, they are widely accepted and used but, strange to say, the Congress of the United States has never mandated the Federal Reserve Banks to keep in existence a volume of money required to establish and maintain specific average price levels.

14. Could qualified persons agree upon what particular indices should be observed and pass upon the accuracy of those indices?

Yes. That is a matter for qualified statisticians. Statisticians already maintain and observe a number of reliable and accepted indices.



15. What should determine how much money should be paid into use in the nation?

Observation of the movement of indices of price levels. For the ordinary citizen to get money, he gives up goods or his time and efforts in helping to produce goods. Money is the receipt for the wealth given up or the services rendered. A citizen holds money until he needs wealth. Thus, prices are a function of the volume of money in relation to the goods and services in the nation to be exchanged with money.

16. Why will observation of indices of price levels enable the Congressional Money Board to know when new issues of money should be added to the existing supply or when the existing supply should be reduced?

The reader will recall that the total volume of money in a nation represents the exchange value of the actual wealth which the owners of money are abstaining from possessing. Those who own money are owed wealth. Therefore, price levels are proportional to the quantity of money in existence divided by the wealth from which the owners of money (all of the people) are voluntarily abstaining from using.

Those who give up goods or services in exchange for money give up wealth before they receive money. As long as they hold money they are abstaining from the possession and use of wealth. The total amount of wealth from which the people will voluntarily abstain from owning or using, divided by the quantity of money in existence, determines the exchange value of money. As population increases and more wealth is produced, both because of a growing population and an increasing production per person, more money is necessary. The amount to be added can be determined only by observation of general average prices (index numbers).

17. Is the relation of prices of basic raw commodities to finished goods of primary importance in America?

Yes, because about fifty-five million persons are engaged, directly or indirectly, in the production of basic raw materials. If the prices they receive for new wealth are not in an honest ratio to the prices of the finished goods, producers not only cannot operate at a legitimate profit but they cannot be buyers of finished goods.

18. Then, is it necessary that equitable raw commodity prices be established and maintained?

Yes. The destructive effects of too low raw commodity prices have been experienced in this country in the agricultural depression which has existed from 1920 to date.

19. How can raw commodity prices be established and maintained in honest proportions to each other?

(a) By divorcing the domestic money supply from a gold or any other metal base.

(b) By abolishing fixed ratios for the exchange of dollars for the currencies of other countries. (See "Foreign Exchange" Appendix II.)

(c) By establishing and maintaining an honest and adequate domestic volume of money.

20. Why would divorcing the domestic monetary quantity from gold or any other metal be necessary?

That movements of gold in or out of the country would no longer affect the amount of domestic money in use in the nation. Money issued (loaned) upon a metal base is the manipulators' stock in trade. International-ists have only to remove part of the base to cause a collapse. For the workers and producers of the nation, the all important factor is the volume of money in relation to the goods and services to be exchanged with money. Producers earn money to buy the necessities of

life—not gold. Only internationalists buy gold, not to eat or wear, but because gold is the base of the collapsible money structure, and its removal causes a collapse.

21. Why would abolition of fixed ratios in exchanging dollars or other currencies affect raw commodity prices?

Raw commodities such as wheat, cotton, oil, are for sale in all world markets. The amount of these commodities exported influences the price of these same commodities which are domestically used. Exports are possible only when foreigners can exchange their money for United States dollars at a favorable ratio. If foreigners must pay too many units of their currencies to obtain dollars they will not buy in the United States. Foreigners who buy our produce, owe us dollars. They must be able to obtain dollars to pay their bills without having to pay too many units of their own currency.

22. What does the Constitution say about the exchange of dollars for other foreign currencies?

The Constitution specifically mandates Congress to regulate the value of money and of foreign coins.

23. Does the word "regulate" mean stabilize?

Emphatically, no. The fact that internationalists have stabilized our currency enables them to play countries against each other. The very word "regulate" is a mandate to change the ratio at which dollars exchange for other currencies in accordance with well known scientific principles. That is in accordance with actual demand and supply and in accordance with changes in price levels within our own country or within the countries to which we are exporting.

24. Then, does it follow that the abolition of fixed ratios for the exchange of dollars for other currencies would benefit not only raw commodity producers but all classes?

Yes, it would enable us to enter the export markets with finished goods as well as with raw commodities.

25. Is the United States interested in exporting raw commodities and goods?

Yes, it is important that we export some of our basic raw commodities, such as wheat. And it is very desirable that our people, in turn, be able to buy certain luxury items in other countries.

26. Is it true that we now export only about 5% of our total production?

Speaking of production as a whole, that is true. But in certain single commodities we export a much larger percentage. Abolishing a fixed ratio and permitting exchange ratios to rise or fall in response to demand and supply and in accordance with changes in price levels in other parts of the world is the desirable situation. This would facilitate and expand enormously both domestic and foreign trade. Because foreign exchange is stabilized on a fixed gold basis we are suffering from artificial barriers. "Regulation", not "stabilization" is the key to the solution. Regulation of money demands a free gold and silver market.

27. What is a free gold or silver market?

One where the price of gold or silver is arrived at by the fundamental law of supply and demand, not one where the price is arrived at by government or central bank decree. (See Appendix II.)

28. How does an adequate volume of money affect raw material prices?

It increases mass purchasing power and, hence, affects the demand for food supplies, clothing, etc.

29. Should metal be used in settling international trade balances?

Yes, so long as other countries wish to use metals, the United States will meet their desires.



## 30. Why are trade balances specified?

Because no government should allow international speculators, arbitrarily, to transfer huge sums of money from one country to another merely for manipulative purposes. Foreign exchange should be allowed to take care of all legitimate balances of international trade. What is objected to and what is vicious is the arbitrary movements of enormous speculative balances between the various money centers of the world. These huge transfers are carried on merely for the purpose of tearing down price levels and playing countries against each other for the personal profits of the manipulators who control and operate on a fixed, stabilized gold standard.

## 31. If gold is used to settle international trade balances, should it have a fixed price?

No, the number of dollars per ounce of gold should correspond with the purchasing power of the number of units of other currencies. (Exchangeable for an ounce of gold). This will prevent internationalists playing one country against another.

## 32. May silver also be used to settle international trade balances?

Yes, if other nations wish to use silver. The United States has ample domestic sources to obtain silver and could enter the world markets as well.

## 33. Besides establishing raw material prices in proper proportion to finished goods, what other important relationship between money and wealth should be observed?

The whole price structure must be high enough to prevent those who have fixed income claims, such as bonds, from receiving too large a share of the new wealth produced each year. When the holders of fixed income can buy too much wealth with their dollars, the working classes suffer. No honest person wants to defraud people who have fixed incomes. As

a whole, all people (excepting the few who benefit from manipulations) with fixed incomes would be tremendously benefited by an honest price structure, for they would then have assurance that their fixed claims could be received and exchanged for wealth. The properties into which their funds have been placed (as loans) would be in full production, and their in-comes would be received regularly.

34. Is it proposed that the volume of money be changed to meet the demand of politicians?

Emphatically, no. The volume should be changed only in accordance with well defined scientific principles. Once equitable price levels have been established and full employment exists, the new additions to the money stream each year would be relatively small amounts of money.

35. Why would the new additions of money each year be relatively small?

After equitable general average price levels and full employment have been attained they must be kept stable.

New money can be paid into use only after genuine savings invested in producer goods and consumer goods in process have so increased the rate of production that additions to the money stream are necessary to maintain the established price levels.

36. Would savings be unnecessary or be discouraged under an honest money system?

Emphatically, no. Savings are absolutely necessary. The consumer wealth in process (being manufactured from raw commodities into finished goods) and the cost of all producer goods used in processing them must be financed out of savings. Genuine abstinence, to the full amount of the cost of goods in process and producer goods, is necessary, if honest price levels are to be maintained.

37. Would it ever be necessary to cut down the volume of money?

Yes, if the nation were to suffer from famine, flood or some force beyond the control of man so that actual wealth was destroyed. When there is less wealth to be exchanged, the volume of money must be cut down. Or again: If factories and machinery were destroyed through cyclones, fires, etc., it would be necessary to cut down the volume of money, because there would be less exchangeable wealth in existence.

38. Why is it essential to have private investment (genuine savings) going into the construction of producer goods?

- (a) Because producer goods, as they wear out and become obsolete, must be replaced.
- (b) About half of the workmen in this country are employed in the heavy construction industries. When legitimate private construction cannot proceed, these workmen are automatically forced to remain idle.

39. Is there a reasonable need for more producer goods in a nation at any time?

Yes, whenever reasonable want exists in the midst of plenty. For example, we need millions upon millions of new homes. But we permit an artificial constriction of our money system to keep workmen idle and the people in need of the very things which these work-men are able and ready to produce.

40. Is there any need for suffering want in the midst of plenty for a lack of money?

Absolutely no, because money is not wealth. There should be sufficient money injected into the money stream to enable the producers to produce, workers to work, and thereby create a supply to meet the reason' able demand at a profit for all engaged in any production or distribution.

41. If debts are contracted with cheap dollars when there is sufficient money in circulation, is it just and scientific to demand that these debts be paid back with dear dollars because there is less money in the money stream?

It is neither just nor scientific. If the price per hour for a laborer is \$1.00 and, because there is not sufficient money in the money stream, the price for labor is reduced to 75 cents an hour, it would mean that, if that laborer had borrowed money previously when more money and high labor prices were in existence, he would be forced to repay his debt by one-third more labor plus interest than he had contracted. There should be 100 pennies always in a dollar. By that is meant that the same amount of work performed by the laborer in 1928 should be sufficient in 1935 to meet his obligations.

42. Under our present dishonest system do bankers arbitrarily alter the price levels and thereby compel the borrower to pay back more (purchasing power) than he received?

Yes, bankers alter the price levels:

- (1) By increasing the volume of money without a previous proportional increase in the rate of production.
- (2) By decreasing the volume of money, thereby leaving goods and labor, either unsalable or salable only below the cost of production.

43. How would new money be paid into use?

When more money is needed, the Government would print it and pay it into use through the channels of legitimate government expenditures until the proper level of money would have been reached.

44. After honest price levels are established, would additions of money alter the price levels?

No. They would not decrease the value of previously outstanding money, because the new money would be added to existing amounts only after the rate of na-



tional production was increased. Thus, steady price levels would be maintained, despite increased production.

45. How would production be increased normally?

- (a) By removing restrictions to production caused by artificial constriction of the medium of exchange.
- (b) By an increase in population thereby increasing the demand.
- (c) By citizens requiring more goods or services.
- (d) By more citizens rising from below the standard of American living to the plane of the American standard of living and even beyond.

With our vast amount of raw wealth together with our army of scientists, engineers and skilled workmen it is not only possible but desirable that this plenty-for'all be produced and distributed.

46. Then, does not social justice advocate a redistribution of existing wealth?

No. Social justice demands the production of new wealth and its equitable distribution on the basis that there is plenty for all, if sufficient non-interest bearing money is paid into the money stream by the Government to establish equitable prices thereby enabling the reasonable demands of all citizens for goods and services to be supplied. Be it repeated that money is not wealth and that money should be our national servant, not our master.

47. What is the chief racket of the private money creators today?

The chief racket of the private money creators today is their juggling the totality of outstanding money so as to juggle the price levels and thus manipulate the debt-paying power of money. The power of private individuals to juggle the price structure would be destroyed forever, if money were issued honestly and in accordance with well-known scientific principles.

48. Who would benefit by all new additions to the money stream?

As long as the nation is a going concern, it must have a money system. Therefore, the people should and would be the only power allowed to get the benefit of the original purchasing power of interest-free money as it is paid into the money stream. Private bankers now receive the "something for nothing" in the form of unearned interest on money which they lend into existence and which, arbitrarily, they can call out of existence. It is true the banker does not create money for his own spending, but he does create money for the purpose of enriching himself upon the unearned and fraudulent interest. Every time a private banker originates money to lend, he is levying indirect taxes upon all, and when he curtails the volume of money, he may legally confiscate property.

49. Is it reasonable to state that, if the government issues money, it will issue it in too large a volume?

No. Those empowered to issue money would have no incentive to over-issue money. They would not be the beneficiaries of the new purchasing power. Rather they would be held directly responsible for any unjust additions to the money stream. Full facts and figures regarding the volume of money in existence would be completely publicized in a manner intelligible to everyone who can read simple figures.

\* \* \* \* \*

## THE NATURE AND FUNCTIONS OF BANKS UNDER AN HONEST MONEY SYSTEM

1. Who should own all the local banks?

Local banks should be owned by privately owned corporations chartered by the respective States wherein they are located. The Federal Government should coin and regulate all money, but private banks should lend money owned by private citizens.

2. Should these banks just described be controlled in any manner by the Government?

Since these privately owned banks are State chartered, they should be controlled by the State. It should be the duty of the State government to set up equitable rules and regulations under which these banks must operate.

3. With what kind of money would the banks do business?

These banks would do business only with United States legal tender which private individuals or corporations actually brought to the banks.

4. In what classifications should banks divide the money deposited?

- (a) The banks should divide the money deposited into demand deposits, which funds could not be loaned to others and which the depositors (own-ers) may demand and receive at any time (with-out notice).
- (b) Into time deposits which funds may be loaned for a specified time and cannot be legally claimed for withdrawal until expiration of the time limit.

5. Would business men, or others, be able to borrow money?

Yes. All time deposit money would be available for lending purposes.

6. Should business men, or others, be allowed to borrow money?

Yes. Genuine loans for business purposes are necessary.

7. Could bank checks still be used?

Yes. Transferring money by means of bank checks should be continued. It is a convenient mechanism.

8. Should the national government have anything to do with the transfer of funds between banks or with the mechanics for clearing checks?

No. The private banks can efficiently handle all mechanics of transferring money and they should be responsible for setting up and maintaining an efficient check clearing system.

9. Would it be possible for the banks to lend more money than they had in their possession as is their present practice?

No. It would not be possible provided that monthly statements of all deposits in every bank be publicized. The total amount of deposits, plus the money in the pockets of the people, would equal the total amount of money that has been paid into use by the Congressional Board of Money. Simple, publicized figures would prevent any bank from lending more money than it had or lending out a part of its demand deposits.

10. How would the banks earn a profit?

They would charge a service fee for handling both demand and time deposits.



11. How could banks protect themselves against theft when they transfer United States legal tender to settle balances with other banks?

The government could issue some large denomination currency and exchange it with banks for small denominations. Such large denominations could be received from or used only as between banks. That is a mechanical detail which could be worked out.

12. Would corporations or individuals notice any difference in their own money settlements?

No. Banking mechanics for either borrowers or depositors would be the same as now.

13. When a bank customer wanted to exchange dollars for pounds, francs, yen, etc., what would the banks do?

The banks would send dollars to the agent in that city acting for the Congressional Board of Money and exchange them for the foreign currency wanted. If the exchange of dollars for yens or francs or pounds be executed on a gold basis, it is absolutely understood that gold should have no stabilized price, but must have a free market price the same as any other commodity.

\* \* \* \* \*

# EFFECTS OF A DISHONEST MONEY SYSTEM

What will happen if the present money system is continued and if the present policies endure?

1. Private individuals will coin money for their own personal gain.
2. Corporations organized for production, such as automobiles, steel and textiles, will be under the domination of the private money creators.
3. The government itself will be dominated by the money plutocrats.
4. The press, dependent upon advertising received from banker-dominated corporations and commercial houses, will continue to deceive the people.
5. The educational system will continue to ostracize the truths of economics from our schools.
6. An uninformed citizenry, forced to work either on the mortgaged-controlled farms or in the bank-er-controlled industries, will receive a less-than-living annual wage.
7. Through the international manipulation, of gold and money engineered by a small group of money creators living in each country, wars will continue to ensue.
8. The only prosperity which will come as a breath-ing spell will be that prosperity enjoyed as we prepare for war and fight the war.
9. The issue of non-productive bonds will continue to sap the profits of production through the process of taxation for the benefit of the creators of debt.

10. Those who now condemn loudly the danger of inflation in order to save the present money system are those who are introducing a greater flood of inflation than was ever experienced by any nation in the world.
11. The citizens, weighed down by the unbearable costs of war and depression, will be inclined to blame a democratic form of government and unwittingly relinquish the liberties already won for the bare necessities of life, which the plutocrats will allow them only at the sacrifice of liberty.
12. Dictatorship, be it that of the communist, of the fascist or of the extreme socialist, will necessarily ensue.
13. Christianity, which teaches the principles of social justice and upon which is founded the sovereignty of the Government's right to coin and regulate the value of money, will be disavowed because Christianity will be blamed for putting war into the world instead of peace, poverty instead of prosperity and hatred instead of love.
14. The children of future generations shall be the scape-goats whom we are forcing to bear the sins of an unintelligent money system which, anticipating their birth, already has mortgaged their life's income.
15. Chaos in law, in government and in civilization eventually will result.

\* \* \* \* \*

# ADVANTAGES OF AN HONEST MONEY SYSTEM

What will happen after an honest money system is established? An honest money system will help us:

1. To restore sovereignty over money to its rightful possessors, namely, the People, through Congress.
2. To insure the lastingness of democracy.
3. To rid Congress of servile politicians.
4. To make possible the attainment of a just, living annual wage for the worker and production at a profit for the farmer.
5. To prevent confiscation of honestly acquired property and savings of the people.
6. To eliminate from domination over the government the manipulators of money who oftentimes were the cause of war.
7. To insure lasting peace among nations whose governments will be able to legislate laws independent of the international money changers.
8. To make possible the real freedom of the press and the teaching of the truth in all schools, freed once and for all from the domination of money creators.
9. To insure independence for industry which today is dominated by finance.
10. To insure equitable credit for all manufacturers who are willing to pay a just, living wage for the production of a good product.
11. To enable every manufacturer to pay a just, living, annual wage free from the competition necessitated by the private control of money.



12. To eliminate the existence of non-productive bonds, such as Liberty Bonds, originated to borrow money for digging shell holes and killing soldiers.
13. To lessen the burden of taxation.
14. To re-establish banking on its original plane, namely, to make of it a function whereby the bankers will guard your money safely or will invest it to the best of their ability and divide the profits with you or will lend it to your fellow citizens for their welfare and the welfare of the social body.
15. To permit Christian virtue to be practised when want is destroyed in the midst of plenty.
16. To enable the youth of the land to marry: Young couples will look forward not into the shadows of depression but into the sunshine of prosperity.

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## L'ENVOI

In the preceding pages I have tried to explain briefly and clearly the fundamentals of the money question. My only purpose in having published this book is to help the American people to free themselves from a form of slavery which is more hostile to their well-being than was the physical slavery opposed by Lincoln or the political slavery vanquished by Washington. Without economic freedom, both physical and political liberty are meaningless. Their existence depends al-most totally upon financial freedom. It is essential that we Americans recapture our sovereign right of coining and regulating our money and of foreign coin. It is essential that we cease paying tribute to the Federal Reserve Banks who create our money out of nothing and lend it into use with an invis-ible tax appended to it. It is either your money or your life.

The publication of this book will have been in vain unless you who have read it will chisel a channel from your understanding minds to your active, forceful hands.

You must act like apostles who have learned the truth. You must spread the gospel of financial freedom even at the cost of life itself.

Behold the oppressor's heel in Russia as it tramples upon liberty!

Visualize the regimented millions in Germany and Italy! Because the peoples of these nations failed to understand and to execute the simple laws of financial sovereignty they suffered selfish tyrants to destroy their political and physical liberties for the price of a crust of bread.

Shall not America profit by these flagrant examples? Therefore, form your battalions, independent of the leadership of the press, the politician and the poltroon! Cast aside your lethargy!

With your eyes fixed firmly on the future of your children, I appeal to you, in the name of patriotism, to leave this country a better place than you found it.

In the name of Christianity I implore you to participate in duplicating the miracle of the Master Who fed the hungry multitudes. This can be accomplished by insisting, by demanding the institution of an honest money system, even though it may be necessary, when ballots fail, to revive the spirit of '76.

America is still the land of the free and the home of the brave!

As our forefathers said in their struggle for political liberty, we, the members of the National Union for Social Justice, repeat:

"We mutually pledge to each other our lives, our fortunes and our sacred honor."

The money changers must be driven from the temple of America.

If we of this generation, numbed with the opiate of in-difference and cowered by the appeals to selfishness, fail to dislodge the radical rule of the money changers, may we go to our graves unwept, unhonored and unsung!

\* \* \* \* \*

## THE FEDERAL RESERVE

### Section 1.

The following is a somewhat detailed explanation of the means by which Federal Reserve Banks control the member banks.

1. Each member (local) bank must keep on the books of the Federal Reserve Bank 13% of the amount of its total demand deposits, and 3 % of the amount of its total time deposits (savings). If a bank has \$1,000,000 demand deposits it must have a minimum deposit of \$130,000 on the books of the Federal Reserve Bank. If it has \$500,000 time deposits, it must have an additional minimum deposit of \$15,000 on the books of the Federal Reserve Bank. This total deposit of \$145,000 of the member bank on the books of the Federal Reserve Bank is called its reserves. This "reserve" account must be kept at a minimum of 13% of total demand deposits, and 3% of time deposits, for the banks of all large cities. Banks located in smaller cities are required to keep 7% of the total amount of their demand deposits on the books of the Federal Reserve Banks.

Each Federal Reserve Bank must have a fractional amount of gold or gold certificates back of the total amount of deposits of member banks. Until the Banking Act of 1933 was passed, the law required each Federal Reserve Bank to keep, in gold, 35% of the amount of the reserves of the local banks on its books. In other words, for the member bank above described, which had a \$145,000 deposit at the Federal Reserve Bank, the Bank was required to have 35% of \$145,000 in gold. Thirty-five per cent of \$145,000 is approximately \$51,000. In other words, \$51,000 was the gold base for the creation of bank-deposit money (credit money) to the extent of \$1,500,000.



2. This is the famous gold standard, called conservative, and eulogized as sacred. Think what a collapse takes place when a small amount of gold is taken out of the base. The pyramid collapses like a house of cards. Is this not positive proof that the Gold Standard has always been a fake and a fraud?

3. To understand fully how easy it is to manipulate the total volume of money by increasing or decreasing the gold base, the reader is referred to "Money Creators" by Gertrude M. Coogan, and "The Bankers Conspiracy" by Arthur Kitson.

4. As was previously explained, our money comes into existence only through the process of banks making loans to individuals, corporations, or the government. As a member bank builds up its deposits (credit money) through making loans, it must keep fractional amounts of those deposits called reserves, on the books of the Federal Reserve Bank.

5. If a bank has made all the loans legally possible with its existing reserves, it may take the note of a business man, or a government bond, and either sell it directly to the Federal Reserve Bank or borrow from the Federal Reserve Bank, using the business man's note or government bond as collateral.

6. If the \$10,000 note of John Jones is sold to the Federal Reserve Bank, it will pay the member bank the face of the note, less the interest charged for the unmatured period. The rate of interest charged the member bank by the Federal Reserve Bank is known as the rediscount rate. Raising the rediscount rate changes the value of all of the government bonds in the portfolio of each member bank. If the rediscount rate is raised from 3% to 9%, as experienced in 1920 when the agricultural banks were deliberately collapsed, the rate the government would have to pay to "sell" new government bonds to the banks, would be increased correspondingly. The current rate on government bonds is, therefore, determined by the rediscount rate.

7. If a government bond carries a 3% coupon, its market price will drop, if the government pays a higher rate on new bonds. No person would pay \$100 for a government bond paying 3% when he could buy one at the same price paying 5%. Consequently, the 3% bond would sell below \$100 to yield the same amount as the bond carrying a 5% coupon.

(See pages 60 to 66 in "Money Creators" and learn of the bankers' secret meeting to pauperize farmers, and why "Liberty" Bonds dropped to 80 in 1920).

As the price of Government Bonds drops, the market value of all bonds belonging to local banks drops. This reduces the surplus of each member bank. When the surplus falls, the amount of outstanding loans must be cut. Hence, raising the rediscount rate forces local bankers to call loans and cancel money out of existence.

8. Another weapon whereby the Federal Reserve Banks can cut down the reserves of the local banks is called Open Market Operations. Through this arbitrary power local banks can be forced to buy outstanding issues of government bonds, either directly from the Federal Reserve Bank or from the public (bonds owned by the people and kept in their safety deposit boxes). To do this the local bank must use part of the reserves it has on the books of the Federal Reserve Bank to purchase such government bonds. When a bank uses its reserves to purchase government bonds through Open Market Operations, it cuts down the amount of its deposits (reserves) on the books of the Federal Reserve Bank. When it cuts down the amount of those deposits it is cutting its reserves. As its reserves are cut down it must call loans, thereby decreasing its own deposits and the volume of money in existence.

## Section 2.

1. What bookkeeping entries are made on the books of a Federal Reserve Bank when a member bank gets Federal Reserve Notes?

The Federal Reserve Bank debits the Reserves of the member bank, and credits an account called Circulation for the amount of the Federal Reserve Notes sent to the member bank.

2. When a Federal Reserve Bank releases Federal Reserve Notes to a member bank, what happens?

The Governor of the Federal Reserve Bank gives to the Federal Reserve Agent (who plays a Dr. Jekyll

and Mr. Hyde role;—see "Money Creators", page 144), 60% in government bonds and 40% in gold certificates for each dollar's worth of Federal Reserve Notes issued to a member bank. In other words, the total figure carried in the Circulation account of a Federal Reserve Bank must be offset on the asset side of the Federal Reserve Bank's statement by 40% in gold certificates and 60% in government bonds.

### Section 3.

1. What does the item "Cash and Due from Bankers" mean on the statement of a local bank?

This item means the small amount of actual currency on hand in the bank, plus the very much larger amount of bookkeeping money which is owed to this particular bank either by the Federal Reserve Bank or by other banks.

2. Why are "Cash" and "Due from Banks" united into one item on all bank statements available to the public?

Because if the public realized how little real cash all the banks have in relation to what they pretend to have (deposits), the basic crookedness of the banking' monetary system would be more apparent

3. Is there any currency in use in America today that was originated and issued by the Congress of the United States?

Yes, there is \$346,000,000 United States Notes which were paid into use by Congress upon the recommendation of Abraham Lincoln. This small amount of interest-free money has saved the American taxpayers over eleven billion dollars (figuring compound interest at 5%). The following is a discussion of this Lincoln money—maliciously called "Greenbacks".

**"LONDON BANKERS EXPRESSED FEAR THAT UNITED STATES WOULD ESTABLISH A CONSTITUTIONAL MONEY SYSTEM.**

"At the time Abraham Lincoln was struggling to thwart the vicious schemes of foreign bankers and set up a money system, as the Constitution of the United States provided, London international banker-controlled newspapers were expressing great fear. The fear was that the United States would establish an honest money system and be forever free from the clutches of the International Bankers. The following is taken from the London Times:

" 'If that mischievous financial policy, which had its origin in the North American Republic during the late war in that country, should be-come indurated down to a fixture, then that Gov ernment will furnish its own money without cost. It will pay off its debts and be without a debt. It will have all the money necessary to carry on its com-merce. It will become prosperous beyond prece-dent in the history of the civilized governments of the world. The brains and the wealth of all coun-tries will go to North America. That government must be destroyed or it will destroy every mon-archy on the globe.'

"Please note their clever appeal to the mon-archs, their debtors." ("Money Creators"—P. 217.)



## FOREIGN EXCHANGE

1. What is legal tender?

Money which may be legally offered for the payment of debts.

2. Are American dollars legal tender in any other country?

No, money of any nation is legal tender only within that nation.

3. When purchases of goods or services are made in other countries, what must the purchaser do to settle the debt?

He must exchange the money of his country for that of the other country to get the kind of money owed to the seller.

4. What then is foreign exchange?

Foreign exchange is direct barter of monies used in different countries. e. g.: Exchanging dollars directly for pounds, francs, marks, yen, etc.

5. What is the Foreign Exchange Market?

It is the place where these exchanges of the different currencies are made.

6. Are the currencies of the various countries convertible into gold at a fixed ratio?

When any country is on the Gold Standard, its currency is convertible into the commodity gold at a fixed ratio—a fixed number of paper dollars, francs, shillings, etc. per ounce of gold.

7. Is the price of gold in the terms of paper currency of any country an arbitrary matter?

Yes, whether an ounce of gold in the United States can be exchanged for \$20, \$30, \$40, \$50, or \$1,000, is a man-made rule.

8. Is the ratio at which the different paper currencies convert into gold important?

Yes, because when currencies are convertible into gold at fixed ratios, gold is the common denominator. e. g.: Prior to 1929, one ounce of gold bought 85 paper shillings, 21 1/2 paper pesos, 42 paper yen, or 20.67 paper dollars. In terms of gold and exchangeability (barter) for each other, 85 shillings was equal to 20.67 dollars, or 42 yen, or 21 1/2 pesos, etc. If the number of units of currency exchangeable for gold were raised in any country, the ratio at which its currency would exchange for the currencies of other countries, that had not altered the gold ratio, would change. e. g.: If England raised the number of shillings exchangeable for an ounce of gold from 85 to 153, 85 shillings would then buy only approximately 14.68 dollars. (85 to 153 is an 80% increase; 85 is 55% of 153. Therefore, 85 shillings would buy only 55% of 20.67 dollars, or 14.68 dollars).

If the price of gold in terms of paper dollars were increased 80% in America, an ounce of gold would then be exchangeable for 37.20 dollars. If both England and America raised the ratio of gold to paper currency, the same percentage, 85 shillings would again buy 20.67 dollars.

9. Why is the ratio at which the various currencies exchange into gold important?

So long as other countries reckon exchangeability in terms of gold as a common denominator, any country that is exporting goods must change the ratio by the same amount as the country to which it expects to ex-*port* or with which it wants to compete in world markets.

## 10. Why?

Importers will not buy goods from a country that has not raised the ratio because they will have to give more units of their currency to get currency of the country from which they are importing. If an importer bought wheat in America and agreed to pay \$1,000, when the ratio of shillings per ounce of gold was 85, and dollars for gold was 20.67, he would have to pay 4,108 shillings to obtain \$1,000. If the ratio of exchangeability of shillings for gold were raised from 85 to 153, while kept the same in America—at 20.67—he would then have to pay approximately 7,394 shillings for \$1,000 of American money.

Any school boy can see that an importer in the world's raw material markets at Liverpool will not buy wheat, cotton, or pork in America if he has to pay more shillings to get the dollars to pay the American exporter. If other raw material exporting countries change the ratio for which their currencies exchange for gold, an importer will buy raw materials only in a country that has changed its ratio.

What is here illustrated is exactly what happened from the Fall of 1929 until April of 1933. Argentina, which was our competitor in the world export markets for wheat and pork products, raised the ratio at which her currency was exchangeable for gold. America did not. From the Fall of 1931 England, all of the British Colonies and Japan (our competitors in the world export markets) increased the gold ratio. Importers into the world raw material markets, which are located in Liverpool, would no longer buy in America because they would then have to give up more shillings for the same quantity of wheat, cotton, pork, etc.

That is what excluded us from export markets. On April 19, 1933 America left the fixed ratio of 20.67 dollars per ounce of gold and began to raise the ratio. As we began to raise the ratio agricultural prices started to rise.

## 11. Why?

Because we were getting our currency in line with the rest of the world, so that importers could buy from us without our cutting prices below the world level, or forcing them to give up more units of their currency than they would have to pay to buy in other countries.

## 12. How much was the price of gold raised in America?

Between April 19, 1933 and January 30, 1934, it was raised from 20.67 dollars per ounce to 35 dollars, an increase of 69%.

## 13. Was this right, and advantageous to America?

Yes, the crime committed was that we did not raise the ratio as much as had other raw material exporting countries.

## 14. At what price per ounce of gold are we now stabilized?

The price of gold in terms of dollars is fixed at \$35.00 per ounce.

## 15. Why then are we now excluded from the export markets?

Because we did not raise our ratio as much as did other countries.

## 16. How is it possible and profitable for foreigners to import the very same raw materials which we are coercing our farmers into destroying?

Because those who import into this country are owed dollars. When they convert dollars into the currencies of their own country they receive enough units in the exchange to make the operation profitable.

## 17. Is that the reason America is importing raw materials and finished goods into every port?

Yes, and this condition will continue until we raise the ratio at which our currency converts into gold (or exchanges for other currencies) the same percentage as other important raw material exporting countries.



18. Is it destructive to America to have the exchangeability of her currency for gold below the ratio of other countries?

Yes, it is destroying American farmers and manufacturers. It places raw materials and finished goods produced with underpaid labor in unfair competition with American farm products and industrial goods. (For a complete discussion of how other countries have raised the currency prices of gold, and its serious effect upon America, the reader is referred to "Money Creators" by Gertrude M. Coogan, Chapter 8).

19. What was the Gold Bill of 1934?

This bill authorized the stabilization of the dollar at \$35.00 per ounce of gold, and gave to the Secretary of the Treasury a \$2,800,000,000 secret fund.

20. Is that secret fund of advantage to America?

No. It serves only the destructive purposes of international bankers.

21. Where is the only free gold market in the world?

In London.

22. What is a free gold market?

A free gold market means that gold is bought in unlimited quantities but not at a fixed number of currency units for each ounce. In other words, the number of units changes. e.g.: The price may be 130, 135, or 140 etc., paper shillings for an ounce of gold.

23. Why do international bankers promote international loans?

Because they want to borrow money in other countries, and take the proceeds of such loans from each country, not in the form of consumable wealth but in the form of gold. When they move gold out of a country which uses gold as the base of its loan-money structure, the price structure of the country from which they take gold is pulled down. They borrow money

in one country and buy goods in another country that has lower price levels; then pull the gold from the country in which they have borrowed and ship it to the country in which they have made purchases of low cost goods. This enables them to play one country against another and keep wages in all countries down to the level paid in the poorest and most backward countries. Thus, our laboring classes have been pauper-ized and are dragged down to the level of the underpaid laborers of Europe and Asia.

24. What does the term "international banker" mean?

A private banker or owner of an investment house that sells foreign bonds; establishes bank balances in the various countries of the world and pulls those balances out in the form of gold, generally with the deliberate purpose of tearing down the money structure and price levels of the country from which they export gold.

25. Did the international bankers sell foreign bonds to the American public and take the proceeds out of this country in gold?

Yes, a substantial part of the gold taken out of the United States in 1930, 1931 and 1932 was gold bought with bank balances which were the proceeds of these worthless foreign bonds.

"What followed was a revelation in the abnormal possibilities of international finance. . . There lay the great American gold reserve, five billions of it, exposed and unprotected. Europe had the keys to it. The keys were those credit balances in New York banks, payable in gold on demand. And where these balances represented, as many of them did, the untouched proceeds of recent American loans to Europe. . . The American gold reserve was defenseless." (From "A Bubble That Broke the World" by Garet Garrett, page 103).

## 26. Are the international bankers the rulers of the world?

Yes. When they are able to manipulate the money structure of the various nations, they dominate and control both the economic and social life of any nation wherein they carry on their manipulations.

## 27. Why are international bankers determined to have the currency of America exchangeable for gold at a fixed ratio?

Because they can manipulate our money structure only so long as they can buy gold for a fixed number of dollars. As they move gold out the structure collapses.

## 28. What does "freeing" the exchanges mean?

Freeing the exchanges means allowing the number of dollars exchangeable for a given number of shillings, francs, marks, etc., to rise or fall only in accordance with the demand and supply. e. g.: When one ounce of gold was exchangeable for 20.67 dollars, and 85 shillings were exchangeable for one ounce of gold, \$4.86 would buy in the foreign exchange market one pound sterling. If there were a large demand for pounds sterling and the cost rose to \$4.90 for one pound sterling, it reached what was called the gold point. The difference between \$4.8667 and \$4.90 would cover the cost of shipping, insuring, and handling the commodity gold.

When gold could be bought and shipped, no one would pay more than \$4.90 for a pound sterling. He would buy and ship gold. When the gold reached a foreign country, it could there be exchanged for the currency of the country to which it was sent. A heavy demand for pounds sterling and gold obtainable in any quantities desired caused a collapse in the country, for gold is the base of our domestic loan-structure. If the exchanges were "freed", instead of being able to pay for imports or transfer vast balances of speculative funds in gold at a cost of 4.90 per pound sterling, the cost would rise in accordance with the demand.

In other words, it might be \$4.95, \$5.00, \$5.10, etc., per pound sterling. Under these conditions an importer would have to pay the going price to obtain pounds sterling to settle a bill he owed in London. If the price of pounds sterling under a free exchange rose so that he would have to pay too large a number of dollars to buy a pound sterling, he would not buy in a foreign country unless he could obtain a particularly attractive price, or was buying a product that was produced more advantageously in that country.

29. Since withdrawing gold collapses our loan-money structure and causes unemployment, foreclosures, bankruptcy, why do the American people tolerate such vicious and unsound practices?

Because honest men and women have not understood the internationalists' secret weapons used to despoil them of their properties and income.

30. Would freeing the exchanges and permitting the price of gold to rise and fall in accordance with movements of general raw commodity price levels and the demand for foreign exchange, destroy the international bankers' illicit power to manipulate the economic system of this country?

Yes, that is why international bankers move heaven and earth and prate piously to force the country to accept a fixed ratio for gold. It is their reason for having stabilized the price of gold at \$35.00 per ounce. Their propaganda for a stabilized ratio deceives honest Americans.



## POWER AND MACHINERY

1. Does the use of power and machinery cause unemployment?

No. It lessens the labor and time of production, and has made possible shorter hours for workers. Unemployment has other causes.

2. Does the widespread use of machinery benefit all classes of society?

Yes, because it makes possible a larger volume of new wealth each year.

3. Is it wrong to say that the present depression was caused by the increased use of machinery?

Yes, and only misleaders of labor, self-styled economists, self-seeking speakers and traitorous writers and other vicious or ignorant persons will make such statements.

4. Does it follow, then, that with the advance of scientific knowledge and the use of power and machinery, the people at large will enjoy an increase in the use of wealth as years pass?

Not necessarily. We possess these possibilities now, yet poverty is increasing rapidly year by year.

5. Then what is wrong?

Is it with ourselves? We do not think; we merely feel, and then only for ourselves. Instead of reasoning out the why and wherefore of our senseless situation, we calmly tolerate idle factories and workers, goods pro-

duced and not distributed; people who produce the goods in need of them but without the money necessary to buy them or the opportunity to earn it. Poverty and unemployment coexistent with abundant natural resources and unused plants and machinery, are contradictions.

6. What should determine the volume of wealth Americans should be able to produce and distribute each year?

The natural resources, the plants and equipment in efficient condition, and the number of workers able and willing to direct the processes of production and distribution together with the consumptive capacity of the people.

7. Who is responsible for the present deplorable conditions in which we exist?

Those who hold the privilege of creating and controlling the volume of our medium of exchange. Our vicious money system will not permit full production and distribution. It is so devised and administered that a small group of men can acquire wealth, and in abundance, without the necessity of ever helping to produce it, while those who do are, by the same device, deprived even of the necessities of life.

8. How could all classes of society be permitted to share abundantly in the production made possible by the year to year increase in the use of power and machinery.

By making our money system honest, scientific and in accordance with the Constitution of the United States. In short—debt-free money paid into use by the Congress of the United States in ample volume to maintain equitable price levels and full employment.

## DISCUSSION OF FIAT MONEY — INFLATION, DEFLATION, ETC.

**FIAT MONEY:** This term is used by the money changers and their fake economists to mislead and suggest that it is wrong for the Government to create money. The truth is that all money is fiat money. The word fiat means "let it be made". The astounding fact is that today we accept the puny fiat of private individuals rather than the only honest fiat, that of the United States of America.

**NATIONAL CREDIT:** The National Government has the sovereign power to originate a sufficient volume of United States money to establish and maintain equitable price levels. After that volume has been paid into use, the National Government has the power to borrow from its citizens a part of the genuine money in existence in the nation. In other words, this nation has the power to borrow the genuine savings of the people to meet a National need for spending. Once the amount of money had been built up to a volume adequate to establish equitable price levels, the new additions each year would be relatively small. Once money had been paid into use it would circulate for ever after, unless it were taken out of existence through taxation of the people. As the paper money wore out or became mutilated, it would be replaced by identical amounts of new United States money. The National Credit should mean what it does in the case of any private individual—the right to borrow genuine savings. Today the Government does not borrow the genuine savings of the people; it borrows money manufactured by the banks. The difference between the Government's right to issue an adequate volume of debt-free money, and its power to borrow money after it has issued the necessary medium of exchange, should be clearly distinguished and understood.

**PROFITS:** Profits are the earnings belonging to those who own the farms, mines, instruments of production, etc. These own-ers are entitled to an honest share of the new wealth produced each year. The term "production for use and not for profit" is deliberately misleading. Farmers have been producing for use and not for profit since 1920. They have had enough of such production by this time. Production for use at an honest profit is necessary if private property rights and proper individualism are to endure. Profits should be the wages of those who have saved and acquired titles to property. Savings are necessary and must go on to the amount necessary to finance the cost of new additions to the instruments of production and the consumer wealth in process of production. To destroy honest profits would destroy private property rights and Christian civilization.

**INFLATION AND DEFLATION:** Inflation means increasing the money supply, whether it be currency or bank credit money, out of all reasonable proportion to the goods and services to be exchanged with that money.

Deflation is decreasing the volume of money, whether it be currency or bank credit money, out of all reasonable proportion to the goods and services to be exchanged with money.

Vicious inflation means increasing the volume of money to the point where it has absolutely no purchasing power. In modern history, private individuals have deliberately destroyed the moneys of several nations. In France, during the Reign of Terror, in Russia in 1917, and in Germany in the 1920's, private money was issued in such volume that it became worthless, thereby ruining all but the manipulators who planned and executed the diabolical scheme. "This destruction of the value of currency (making it actually worthless) has never been brought about by politicians, but always by the international bankers themselves. It has never been the statesmen-politicians, but always the international bankers who have caused unjustified inflation wherever it has occurred in the past 150 years. There is not one example of a government which misused its national currency." (From "Money Creators", by Gertrude M. Coogan, Page 119.)



**THE WAR POWER:** The carrying on of a war requires a vast amount of money. When private individuals are manufacturing money, they must manufacture it before it can be spent. Since they finance the wars, they must be the ones who want wars. Whoever pays the piper calls the tune. Therefore, the international bankers are the War Power.

"To put it quite bluntly, the purpose of wars is to compel weaker nations to take surpluses off the hands of the stronger, running up debts if need be in order to pay for it. Then, the threat of further war is necessary to insure that the debts and the interest on them shall not be repudiated." (From "The Role of Money", by Frederick Soddy, Page 18.)

## QUOTATIONS FROM PROMINENT MEN

Thomas Jefferson said:

"If the American people ever allow private banks to control the issue of their currency, first by inflation and then by deflation, the banks and corporations that will grow up around them will deprive the people of all property until their children will wake up homeless on the continent their fathers conquered. "I hope we shall crush in its birth the aristocracy of the moneyed corporations, which dare already to challenge our Government to trial of strength and bid defiance to the laws of our country." (From Jefferson's letter to George Logan, November, 1816.) "We are completely saddled and bridled, and the bank (the privately owned Bank of the United States) is so firmly mounted on us that we must go where they ill guide." (From Jefferson's letter to James Monroe.)

Benjamin Franklin's Biographer said:

"The most voluminous and systematic of Franklin's economic writings are his essays defending paper currency. Holding that the shortage of precious metals in the Colonies hindered trade, lowered land values and prices, encouraged usury, and so benefited the rich speculators at the expense of the working population..." (From "The Amazing Benjamin Franklin", Page 209, Edited by J. Henry Smythe, Jr.)

John Adams wrote to Thomas Jefferson in 1787:

"All the perplexities, confusion and distress in America arise, not from defects in their Constitution or Con-

federation, not from want of honor or virtue, so much as from downright ignorance of the nature of coin, credit and circulation."

Andrew Jackson said the following words to the money changers who approached him in the drawing room of the White House:

"Gentlemen, I have had men watching you for a long time and I am convinced that you have used the funds of the bank to speculate in the breadstuffs of the country. When you won, you divided the profits amongst you, and when you lost, you charged it to the bank. You tell me that if I take the deposits from the bank and annul its charter I shall ruin ten thousand families. That may be true, gentlemen, but that is your sin! Should I let you go on, you will ruin fifty thousand families, and that would be my sin! You are a den of vipers and thieves. I have determined to rout you out, and by the Eternal God, I will rout you out!"

James A. Garfield is reported to have said:

"Whoever controls the volume of money in any country is absolute master of all industry and commerce."

Woodrow Wilson said:

"A great industrial nation is controlled by its system of credit. Our system of credit is concentrated. The growth of the nation, therefore, and all our activities are in the hands of a few men. . . . We have come to be one of the worst ruled, one of the most completely controlled and dominated Governments in the civilized world—no longer a Government by free opinion, no longer a Government by conviction and the vote of the majority, but a Government by the opinion and duress of small groups of dominant men."

Pope Pius XI said:

"In the first place, then, it is patent that in our days not alone is wealth accumulated, but immense power and despotic economic domination are concentrated in

the hands of a few, and that those few are frequently not the owners, but only the trustees and directors of invested funds, who administer them at their good pleasure.

"This power becomes particularly irresistible when exercised by those who, because they hold and control money, are able also to govern credit and determine its allotment, for that reason supplying so to speak, the life-blood to the entire economic body, and grasping, as it were, in their hands the very soul of production, so that no one dare breathe against their will."

In 1844 Lord Beaconsfield (Benjamin Disraeli) cited Lionel Rothschild as saying:

"Can anything be more absurd than that a nation should apply to an individual to maintain its credit and, with its credit, its existence as a state, and its comfort as a people."

GREENBACKS: Secretary Chase on the "Greenback".

"What is a greenback? Did you ever think what it was? Why, it is simply the credit of this great American people put in the form of money, to circulate among the very people whose credit makes it good. When I was Secretary to the Treasury, the question arose, how should these vast armies and navies be supplied? How should the boys be fed in the field, the sailors in ships, and provisions be made for their support, their clothing, goods and transportation? I found the banks of the country had suspended specie payment. What was I to do? The banks wanted me to borrow their credit, or pay them interest in gold upon their credit. They did not pay any gold, or propose to pay any themselves, but they wanted me to borrow their notes. I said, no, gentlemen; this great American people is worth all of you put together. I will take the credit of the people, and cut it up in the form of little bits of paper, and we will circulate that paper. This is the true idea of the Greenback. It is the credit and property of the American people." Salmon P. Chase, Secretary of the United States Treasury under Lincoln. (From "Money; Its Nature and Function" by Charles Bonsall.)



Henry Ford said:

"The greatest thing in life is experience. Even our mis' takes have value for us. Take the matter of money, for example. There is no doubt that financiers have failed to do their best to give us an efficient money system. And yet it was their principal business to do that. "The function of money is not to make money but to move goods. Money is only one part of our transpor' tation system. It moves goods from man to man. A dollar bill is like a postage stamp: it is no good unless it will move commodities between persons. If a postage stamp will not carry a letter, or money will not move goods, it is just the same as an engine that will not run. Some one will have to get out and fix it."—American Magazine, October 1934. Pages 18, 19 and 154.

Rothschilds, International Bankers made the following commitment:

London, June 25th, 1863

Messrs. Ikleheimer, Morton and Vandergould, No. 3 Wall St., New York, U. S. A.

"Dear Sirs: A Mr. John Sherman has written us from a town in Ohio, U. S. A., as to the profits that may be made in the National Banking business under a recent act of your Congress, a copy of which act ac-companied his letter. Apparently this act has been drawn upon the plan formulated here last summer by the British Bankers Association and by that Associa-tion recommended to our American friends as one that if enacted into law, would prove highly profitable to the banking fraternity throughout the world. "Mr. Sherman declares that there has never before been such an opportunity for capitalists to accumulate money, as that presented by this act and that the old plan, of State Banks is so unpopular, that the new scheme will, by contrast, be most favorably regarded, notwithstanding the fact that it gives the National Banks an almost absolute control of the National finance. 'The few who can understand the system', he says 'will either be so interested in its profits, or so dependent on its favors, that there will be no opposition from that class, while

on the other hand, the great body of the people, mentally incapable of comprehending the tremendous advantages what capital derives from the system, will bear its burdens without complaint and perhaps without even suspecting that the system is inimical to their interests'. "Please advise us fully as to this matter and also state whether or not you will be of assistance to us, if we conclude to establish a National Bank in the City of New York. If you are acquainted with Mr. Sherman (he appears to have introduced the National Banking Act) we will be glad to know something of him. If we avail ourselves of the information he furnished, we will of course make due compensation. "Awaiting your reply, we are

Your respectful servants,

Rothschild Brothers."

An American International Banker, replies to Mr. Rothschild: Ikleheimer, Morton and Vandergould Private Bankers, Dealers and Brokers in Stocks and Bonds and Gold, and American Agents for the Investment of English Capital

Number 3, Wall Street New York City, July 5, 1863 Messrs. Rothschild Brothers, London, England.

Dear Sirs: We beg to acknowledge the receipt of your letter of June 25th, in which you refer to a communication received from the Honorable John Sherman of Ohio, with reference to the advantages and profits of an American investment under the provisions of our National Banking Act.

"The fact that Mr. Sherman speaks well of such an investment or of any similar one, is certainly not without weight for that gentleman possesses in a marked degree, the distinguishing characteristics of the successful modern financier. His temperament is such that

whatever his feelings may be they never cause him to lose sight of the main chance. He is young, shrewd and ambitious. He has fixed his eye upon the presidency of the United States and is already a member of Congress. He rightfully thinks he has everything to gain both politically and financially (he has financial ambitions too) by being friendly with men and institutions having large financial resources, and which at times, are not too particular in their methods, either of obtaining governmental aid, or protecting themselves against unfriendly legislation. We trust him here implicitly. His intellect and ambition combine to make him exceedingly valuable to us. Indeed, we predict that if his life is spared, he will prove to be the best friend the monied interests of the world have ever had in America. "As to the organisation of a National Bank here, and the nature and profits of such an investment, we beg leave to refer to our printed circular enclosed herein. Inquiries by European capitalists, concerning this matter, have been so numerous, that for convenience we have had our views with regard to it put into printed form.

"Should you determine to organize a bank in this City, we shall be glad to aid you. We can easily find financial friends to make a satisfactory directory, and to fill official positions not taken up by the personal representatives you will send over.

Your most obedient servants,

Ikleheimer, Morton and Vandergould."

The circular referred to is here inserted:

Ikleheimer, Morton and Vandergould Private Bankers, Brokers, Etc.

"We have had so many inquiries of late as to the method of organizing national banks under the recent act of Congress, and as to the profits that may reasonably be expected from such an investment, that we have thought best to issue this brief circular as an answer to all questions of our friends and clients:

- "1. Any number of persons, not less than five, may organize a national banking corporation.
2. Except in cities having 6,000 inhabitants or less, a national bank can not have less than \$1,000,000 capital.
3. They are private corporations organized for private gain and select their own officers and employees.
4. They are not subject to the control of State laws, except as Congress may from time to time provide.
5. They can receive deposits and loan the same for their own benefit.
6. They can buy and sell bonds and discount paper and do a general banking business.
7. To start a national bank on the scale of \$1,000,000 will require the purchase of that amount (par value) of U. S. Government bonds.
8. The U. S. Government bonds can now be purchased at a 50% discount, so that a bank of \$1,000,000 capital can be started at this time with only \$500,000.
9. These bonds must be deposited with the U. S. Treasurer at Washington as security for the national bank currency, that on the making of the deposit will be furnished by the government to the bank.
10. The U. S. Government will pay 6% interest on the bonds, in gold, the interest being paid semi-annually. It will be seen that at the present price of bonds, the interest paid by the government, will itself amount to 12 per cent in gold on all the money invested.
11. The U. S. Government, under the provisions of the national bank act, on having the bonds aforesaid deposited with its Treasurer, will on the strength of such security, furnish national currency to the bank depositing the bonds to the amount of 90%



of the face of the bonds, at an annual interest of only ONE per cent per annum. Thus the deposit of \$1,000,000 will secure the issue of \$900,000 in currency.

12. This currency is printed by the U. S. Government in a form so like greenback money, that many people do not detect the difference, although the currency is but a promise of the bank to pay—that is, it is the bank's demand note, and must be signed by the bank's president before it can be used.
13. The demand for money is so great that this currency can be readily loaned to the people across the counter of the bank at a discount at the rate of 10% at 30 and 60 day's time, making about 12% interest on the currency.
14. The interest on the bonds, plus the interest on the currency which the bonds secure, plus the incidents of the business ought to make the gross earnings of the bank amount to from 28 to 33%. The amount of dividends that may be declared will depend largely upon the salaries the officers of the bank vote themselves and the character and rental charges of the premises occupied by the bank as a place of business. In case it is thought best that the showing of profits should not appear too large, the now common plan of having the directors buy the bank building and then raising the rent and the salaries of the president and cashier may be adopted.
15. National Banks are privileged to either increase or contract their circulation at will and of course grant or withhold loans as they see fit. As the banks have a national organization and can easily act together in withholding loans or extending them, it follows that they can by united action in refusing to make loans cause a stringency in the money market and in a single week or a single day cause a decline in all the products of the country. The tremendous possibilities of speculation involved in

this control of the money of a country like the United States, will be at once understood by all bankers.

16. National Banks pay no taxes on their bonds, nor on their capital, nor on their deposits. This exemption from taxation is based on the theory that the capital of these banks is invested in U. S. securities and is a remarkable permission of the law, etc."

"Requesting that you will regard this circular as strictly confidential and soliciting any favors in our line that you may have to extend, we are,

Most respectfully yours, "Ikkeheimer,  
Morton and Vandergould."

The Hazard Circular, published by Bankers in Lincoln's Day says:

"Slavery is likely to be abolished by the war power and chattel slavery abolished. This I and my European friends are in favor of, for slavery is but the owning of labor and carries with it the care of the laborers while the European plan, led on by England, is that capital shall control labor by controlling wages.

"The great debt that capitalists will see to it is made out of the war, must be used to control the volume of money. To accomplish this the bonds must be used as a banking basis.

"We are now waiting for the Secretary of the Treasury to make this recommendation to Congress.

"It will not do to allow the greenback, as it is called, to circulate as money any length of time, as we cannot control that.

"But we can control the bonds and through them the bank issues."

## BANKERS' ACCORDION

- (1) Ten citizens each putting \$10,000 in a pool have \$100,-000 with which to start a bank. They approach the United States Government for a charter. The Government grants them a charter to operate a national bank provided they use their \$100,000 to buy \$100,000 worth of United States bonds.
- (2) The bonds are placed in a sealed package with the United States Government. These bonds bear 3% interest which interest the Government owes to these banks semiannually.
- (3) But the bankers can not go home empty handed. The paternal Government orders the United States Bureau of Engraving to hand over to these bankers \$90,000 in bills of five, ten, twenty, etc., denominations.
- (4) These bills the bankers place in their bank in "Hometown" and advertise to the citizens that tomorrow they will be open for business. On this first day the only business that is done to receive callers and enjoy the perfume of baskets of flowers.
- (5) On the second day Jim Smith, a manufacturer, comes to the bank and tells the president that he wishes to borrow \$10,000 to enlarge his factory. The president looks over the books of the Smith Manufacturing Company and sees that it is a going concern worth approximately \$100,-000. He tells Mr. Smith that he will grant the loan provided Mr. Smith mortgages his \$100,000 factory and provided Mr. Smith will henceforth use his bank as his depository.

- (6) Mr. Smith obtains the loan. Of course he does not take the \$10,000 home with him. The bank president writes on his books \$10,000 deposited which is his newfangled grammar for \$10,000 loaned. He gives Mr. Smith a new check book and tells him to write out checks to the amount of \$10,000.
- (7) Now the bank president still has his original \$100,000 plus a mortgage on Mr. Smith's \$100,000 business. Mean-while, Tom Jones and Fred Doe and Pat Brown together with hundreds of their neighbors deposit small amounts in this bank which we will say total \$50,000.
- (8) The banker now has the original \$100,000, plus Smith's mortgage for \$100,000, plus \$10,000 deposit-credit manu-factured for Smith, plus \$50,000 of real deposits. Other citizens approach him for loans. Afflicted with the virus of the middle century strong boxers who loaned out ten times more than they actually had, Mr. Bank President keeps on pumping loans into the community to the ex-tent of \$1,000,000 and continues to demand mortgages from the borrowers, perhaps, to the value of \$2,000,000.
- (9) The bank president sees an opportunity to lend some more money at a huge profit. He thumbs over the 1935 Banking Act and discovers that he can take Smith's note, secured by a mortgage, and practically all other assets to his nearest Federal Reserve Bank. Meanwhile, Mr. Bank President has deposited with the Federal Reserve Bank around \$130,000 (13% of \$1,000,000) which was required, as explained elsewhere in this book, by the Federal Reserve Bank laws. He asks the Federal Reserve bankers to lend him money secured by borrowers' notes and the mortgages and securities which borrowers have deposited in his home town bank. The Federal Reserve banker then manufactures \$50,000 to lend to the home town banker. This \$50,000 which the Federal Reserve (Central) banker manufactures is deposited to the account (reserves) of the home town bank on the books of the Federal Reserve Bank. The home town banker can now lend out more—to the extent of \$1,500,000 or fifteen



times the actual and original \$100,000 invested by the stockholders.

- (10) Figure it out for yourself, with loans at an average of 5%. He collects \$75,000 in interest the first full year in business. He keeps everything over and above his cost of rent, help, advertising and white carnations. He created money and reaped where he did not sow. This is the so-called credit money. Would you not like to be in the banking business and be able to create ten times as much money as you really have and lend it out at interest at 5%?

Under our Constitutional system we want banks to be banks and to lend U. S. money that is actually deposited.

## DID THE NEW DEAL BANKING LEGISLATION CURTAIL THE POWER OR DRIVE THE MONEY CHANGERS FROM The TEMPLE?

No. Most of the banking acts passed under the New Deal have further entrenched their power and increased profits of the international manipulators and the private money coiners. The following are but a few examples:

### 1. THE BANKING ACT OF 1933

- (a) This Act legislated that all earnings of the Federal Reserve Banks must accrue to the banks themselves. Prior to this Act the United States Government was to participate in any actual distribution of the earnings of the Federal Reserve Banks.
- (b) This Act created the Federal Deposit Insurance Corporation. This Corporation, with a capital of less than \$400,000,000, of which \$150,000,000 was subscribed by the Secretary of the Treasury on behalf of the United States Government pretends to guarantee approximately \$12-billion of bank deposits. The member banks subscribe only one-half of one per cent of their deposit liabilities as their payment into this fund. The ostensible purpose of this Federal Deposit Insurance is to mislead the innocent depositors. It causes them to believe that the United States Government guarantees their deposits up to \$5,000 per individual account, when the total amount of money subscribed by the Government is only \$150,000,000. It is alleged by experienced observers and domestic bankers that exercise of arbitrary examining powers and regulations desired by the internationalists is the real purpose.
- (c) This Act made the debts (bonds) of the United States the sole basis for issuances of the private Federal Reserve Notes.

## 2. THE GOLD BILL OF 1934

- (a) This now infamous Act was the method by which the Federal Reserve Banks obtained all the gold in the United States by depriving the citizens of the right to have gold (under penalty). Citizens were deceived by the propaganda of "nationalizing gold". But, as has been proven, the gold still belongs to the Federal Reserve Banks and they can obtain the gold from the Government whenever they demand it. What a sham! The silver provision of the Gold Bill of 1934 gave the President authority to provide for unlimited coinage of silver at a ratio fixed under such terms and conditions as he (the President) may prescribe. But he has failed to make silver a primary money base and so far the silver legislation has been used to injure rather than benefit the people. It has permitted internationalists to sell silver and receive payment in gold (through the Stabilization Fund). The purchasers of silver are paying other countries for this silver in Bank of England (privately owned) Bank Notes.

The reason for taking silver out of China, who, through custom of centuries has used it for token money, is to force the Chinese to use these Bank of England paper notes as the base for their money. That is what is meant by the high-sounding propaganda about "tying currencies to sterling".

## 3. THE BANKING ACT OF 1935

- (a) By this Act, the Federal Reserve Banks may loan directly to industry—the bankers' bank in competition with the member banks whose money was paid into the capital stock of the Federal Reserve Banks.
- (b) This Act prohibits the payment of interest to demand depositors.
- (c) By this Act all voice in management was taken away from the member banks (owners) and placed in the board appointed by the President. The member banks

have no voice in deciding the policies and must follow the dictates of the board.

Open Market operations (see Appendix I, Section I for discussion) are now entirely under the control of the Open Market Committee and the member banks must follow the orders of that committee—"no Federal Reserve Bank shall engage or decline to engage in Open Market operations except in accordance with the direction and regulations adopted by the committee". All paper rediscounted by the member banks or bought by the Federal Reserve Banks in the Open Market must now be both eligible and acceptable. The word acceptable gives the Federal Reserve Banks discretionary power to determine what member banks' paper may be used to borrow from the Central Federal Reserve Banks or what paper (private notes of business men and installment purchase notes) will be bought in the Open Market.

- (d) This act bears alarming similarities to the banking laws "put over" in Germany prior to the vicious inflation of the 1920's. Shall we allow the same type of deliberate destruction? Private money inflation and consequent chaos will enable the Internationalists to succeed in establishing a dictatorship wherein all wealth and power will be concentrated in their hands, and all others will be forced to endure economic and social slavery.





to Royal Oak parishioners Father Coughlin is a beloved pastor and friend—simply "Pal's Boss." Old-Pal, protector of the young mission priest—in pioneer days, is namesake of the present-day mascot of the Rectory.



## Sidelights



\* The parish, too, is still talking about the Children's Party in 1931, when 50,000 youngsters had a good time at Father's invitation and "ate all the ice cream in Detroit!"

\* On Thanksgiving Day, 1929, Father Coughlin unpacked a stone block cut from Calvary Hill and brought it to the Shrine of the Latin Patriarch of Jerusalem. It is revered as one of the many relics.



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